FOREIGN BROADCAST INFORMATION SERVICE

Daily Report

East Asia

FBIS-EAS-93-101
Thursday
27 May 1993

Daily Report
East Asia

FBIS-EAS-93-101 *27 May 1993*

CONTENTS

NOTICE TO READERS: An • indicates material not disseminated in electronic form.

INTERNATIONAL AFFAIRS

Mideast Meeting Views Environmental 'Conduct' *[Tokyo KYODO]* 1

INTER-ASIAN AFFAIRS

Asian Monetary Officials Meet in Tokyo 25 May *[Tokyo KYODO]* 2
ASEAN National Secretariat Director Appointed *[Jakarta ANATARA]* 2
Regional Water Consultation Opens in Hanoi *[Hanoi VNA]* 2

NORTHEAST ASIA

Japan

Finance Officials Rule Out Dollar's Unchecked Fall *[KYODO]* 3
Market 'Overly Reacted' to U.S. Official's Remarks *[KYODO]* 3
Miyazawa Says Yen's Movement 'Too Steep' *[KYODO]* 3
Official Hints at Concerted G-7 Intervention *[KYODO]* 3
MITI Requests 'More Prudent' U.S. Remarks *[KYODO]* 4
Tokyo, U.S. Plan Talks Before G-7 Summit *[KYODO]* 4
Tokyo, U.S. at Odds Over OECD Communique *[KYODO]* 4
Diet Debates Rescue Use of SDF Planes Abroad *[KYODO]* 4
UN Election Vehicles 'Sitting Idle' in Okayama *[KYODO]* 5
Gaydar Apologizes for Yeltsin Visit Postponements *[KYODO]* 5
Miyazawa Views 'Atmosphere' Regarding Russia *[KYODO]* 6
Russians Decrease Fighter Force on Etorofu *[KYODO]* 6
Tokyo To Adopt ROK 'Comfort Women' Testimony *[KYODO]* 6

North Korea

Nordic Symposium on Korean Armistice Continues 7
Sends Letter to Kim Chong-il *[KCNA]* 7
Adopts Resolution on Koreas *[KCNA]* 7
Committee Head Gives Report *[KCNA]* 8
International Liaison Committee Issues Communique *[KCNA]* 8
Daily Denounces Plutonium Sales to Japan *[KCNA]* 9
Daily Denounces UK, France as 'Disseminators' *[Pyonyang Radio]* 9
Iran Friendship Week Celebrates Khamane'i Visit *[KCNA]* 10
Vice President Arrives in Guinea 22 May *[Pyongyang Radio]* 10
Kim Yong-nam Meets New Lao, Jordanian Envoys *[KCNA]* 10
KCNA Calls Cooperative Farm 'Granary of Korea' 10
KCNA Reviews 27 May Pyongyang Press 11

South Korea

President Sees No Plan for 'Absorbing North' *[YONHAP]* 12
Prosecution To Check Pro-North Student Activities *[Seoul Radio]* 12
PRC Foreign Minister Continues Visit 27 May 12
Questioned on Taiwan Issue *[YONHAP]* 12
Discusses Regional Security *[YONHAP]* 13
Seoul, Beijing Sign Maritime Agreement *[YONHAP]* 13
Further on DPRK Nuclear Proliferation Issue 13

PRC's Qian Opposes Pressure on DPRK *[YONHAP]* 13
Minister Views Benefits of PRC Role *[YONHAP]* 14
Seoul To Accept DPRK Contact Proposal *[Seoul Radio]* 14
Cabinet To Reveal Conditions for Talks *[YONHAP]* 15
Russia Keeping 'Watchful Eye' on Issue *[YONHAP]* 15
ROK, Russia Agree To Investigate Nuclear Dumping *[YONHAP]* 15
Agreement Detailed *[YONHAP]* 15
Diplomatic Relations Established With Eritrea *[YONHAP]* 16
Australian Premier To Visit Seoul 20-23 Jun *[YONHAP]* 16
Korea Telecom To Join World Telecom Group *[THE KOREA HERALD 27 May]* 16
Panel To Simplify Trade, Customs Procedures *[THE KOREA HERALD 27 May]* 16
South Kyongsang Residents Highest-Level Producers *[THE KOREA HERALD 26 May]* 17
Economy Improves in First Quarter 1993 *[YONHAP]* 18

SOUTHEAST ASIA

Burma

Finance Minister Leaves for Germany, Singapore *[Rangoon Radio]* 19
Border Delegation Leaves for Meeting in PRC *[Rangoon Radio]* 19
Correction to SLORC Official on Gradual Reforms 19

Brunei, Malaysia & Singapore

Malaysia

Deputy Premier in Finland: Details French Visit *[BERNAMA]* 19
Irish Premier Arrives for Talks 27 May *[Kuala Lumpur International]* 20
Sabah Reminded Not To 'Politicize' Timber Issue *[Kuala Lumpur International]* 20
MAS Authorized To Issue Visas to PRC Visitors *[Kuala Lumpur International]* 20
Petronas Picks Conoco in Oil Refinery Deal *[NEW STRAITS TIMES 18 May]* 20

Singapore

Burma Rejects Pressure To Improve Rights Record *[AFP]* 21
Burmese Minister on SLORC Role, ASEAN, Drugs *[BUSINESS TIMES 27 May]* 21
Australia To Offer Air Force New Training Site *[THE STRAITS TIMES 26 May]* 22

Cambodia

Sihanouk Against Joining ASEAN Before Vietnam *[AFP]* 23
Japanese Election Monitors Return to SDF Camp *[Tokyo KYODO]* 23
Banteay Meanchey Muslims Vote for FUNCINPEC *[Bangkok BANGKOK POST 27 May]* 23
VGNUFC Claims UN Soldiers Vote for 'Puppets' 24
Alleges UNTAC Ballot Tampering 24
Calls Elections UNTAC's 'Last Card' 24
Japanese Forces To Start Port Renovation *[Tokyo KYODO]* 26

Indonesia

Feisal Tanjung Named Armed Forces Commander *[Jakarta Radio]* 26
Receives Australian Admiral *[Jakarta Radio]* 26
PRC Delegation Arrives To Study Investment *[ANTARA]* 26
Minister Reports 1992-93 Budget Surplus *[THE INDONESIA TIMES 19 May]* 27
Deficit Continues in Trade With Saudi Arabia *[ANTARA]* 28
Jakarta, Kuala Lumpur Discuss Disputed Island *[BERNAMA]* 28

Laos

Finance Minister Talks With SRV Counterpart *[Vientiane Radio]* 28
Labor Minister Visits SRV, Discusses Cooperation *[Vientiane Radio]* 29

Article Views 'Special' Relations With SRV *[Vientiane Radio]* 29
House Members Attend Political Training Course *[Vientiane Radio]* 30
Ministry Urges Compliance With Car Import Rules *[Vientiane Radio]* 31

Philippines

Ramos Returns From ROK, Praises Closer Ties *[Manila Radio]* 31
Bomb Threat Disrupts Senate Deliberations *[Quezon City TV]* 32
Jordan Terms Embassy Closure 'Opportunistic' *[MALAYA 25 May]* 32
Islamic Body Says ARMM Not 'Home Rule' *[MALAYA 27 May]* 33
Business, Labor Sectors Suffer From Power Crisis *[Quezon City TV]* 33
Government Allows RAM Negotiators To Carry Arms *[Quezon City TV]* 33
Germany Grants $30 Million for Health Care Aid *[Quezon City Radio]* 34

Thailand

Government To Reconsider U.S. Trade Proposals *[NAEO NA 27 May]* 34
Prasong Welcomes Smooth Election in Cambodia *[Bangkok Radio]* 34
Belgian Vice Premier Calls on Chuan Likphai *[Bangkok Radio]* 34
Paper Interviews Chatchai on Opposition Tactics *[THE NATION 27 May]* 34
Khun Sa Forces Repel Attack by Burmese Troops *[BANGKOK POST 26 May]* 35

Vietnam

President Le Duc Anh Receives ROK Ambassador *[VNA]* 36
Lao Labor Minister Arrives for Visit 25 May *[VNA]* 36
Australia's Economic Assistance Reviewed *[Hanoi Radio]* 36
Vo Van Kiet Talks With New Zealand's Bolger *[VNA]* 36
Government Decrees on Partnership Corporations *[Hanoi Radio]* 37
Waterway, Public Road Departments Established *[Hanoi Radio]* 37
Vu Oanh Addresses Charity Television Ceremony *[Hanoi TV]* 37
Vu Oanh Attends Post, Telegraph Congress *[Hanoi Radio]* 37
Do Muoi Addresses Lawyers Association Congress *[Hanoi Radio]* 38
Eighth National Lawyers' Congress Closes 26 May *[VNA]* 38
Do Muoi Sends Gifts to Lao Cai Retired Cadres *[Hanoi Radio]* 38
Nguyen Duc Binh Attends Magazine Anniversary *[Hanoi Radio]* 39

AUSTRALASIA

Australia

SRV Premier Continues Visit to Canberra 27 May 40
Talks With Keating, Evans *[Melbourne International]* 40
Agrees to Human Rights Group Visit *[AFP]* 40
Minister: Cabinet Decides To Cut Immigration *[AFP]* 41
Treasurer Vows To Keep Tax Cut Promise *[AFP]* 41
Company Profits Show 'Big Rise' in March Quarter *[Melbourne International]* 42

Fiji

Discussions on Unity Government To Last Two Years *[AFP]* 42

New Zealand

Iranian Minister Visits; Trade Contact To Improve *[AFP]* 42

Papua New Guinea

Deputy Premier To Visit Israel 6-15 Jun *[AFP]* 43
Officials Aware Some Aid Donors 'Not Satisfied' *[AFP]* 43

Mideast Meeting Views Environmental 'Conduct'

OW2505134593 Tokyo KYODO in English 1305 GMT 25 May 93

[Text] Tokyo, May 25 KYODO—A two-day international meeting on the Middle East ended here Tuesday [25 May] agreeing to consider establishment of "codes of conduct" for protecting the region's environment, Foreign Ministry officials said.

But sources participating in the closed-door meeting, who asked that their national affiliations not be disclosed, said the gathering was marred by bickering between the Israeli and Palestinian delegations. The working group conference, attended by 36 nations, was the third of its kind in the multilateral track of the Middle East peace process, which started in January of last year under the direction of the United States and Russia.

Foreign Ministry officials said there was broad acceptance of Japan's proposal for "codes of conduct" that could serve as guidelines for environmental preservation for governments, private enterprises, and for the peoples in the region. They said it was agreed to set up a meeting of regional and extraregional experts to consider the proposal further.

Sources said the Israeli and Palestinian delegations sparred over a Palestinian proposal that an administrative "central body" or "national institution" be set up in the Israeli-occupied territories—the West Bank and Gaza Strip—to handle environmental matters.

Israel objected on the grounds that possible structures to be considered if Palestinians in the territories are accorded a degree of self-administration in the future are not to be discussed in the multilateral framework.

Delegations representing Israel and Palestinians of the occupied territories were expected to discuss such matters in separate bilateral talks set to take place next month in Washington.

Sources said the talks were saved from total breakdown through the intervention of the U.S. and Russia.

Meanwhile, the Foreign Ministry officials said a new topic for discussion in the forum—prevention of desertification—was added to the existing three-prong agenda covering environmental management and education, sewage and solid waste disposal, and marine pollution.

They said it was generally agreed that the fourth working group meeting should be held in Egypt next October. Officials said a Jordanian proposal to set up a regional environmental education and training center was accepted at the talks.

On Monday, Japan offered 3 million dollars in emergency aid for an international fund to help improve the livelihood and environment of Palestinians living in the occupied territories.

Japan also offered to host a seminar in June to discuss measures to prevent accidents at sea involving oil tankers and other ships.

While Israel refuses to negotiate directly with the Palestine Liberation Organization (PLO), the Palestinian delegation at the Tokyo talks was advised from outside the conference hall by senior PLO official Nabil Sha'th, an external affairs advisor to PLO Chairman Yasir 'Arafat. The talks were boycotted by Syria and Lebanon.

The working group is one of five, the others tackling economic development, arms control and regional security, water resources, and refugees.

Asian Monetary Officials Meet in Tokyo 25 May

OW2505110193 Tokyo KYODO in English 0957 GMT 25 May 93

[Text] Tokyo, May 25 KYODO—Monetary officials of Japan, Hong Kong, Singapore and Australia got together in Tokyo on Tuesday [25 May] to discuss problems and issues in the rapidly expanding field of international monetary exchange, Finance Ministry officials said. Participants of the "four markets meeting" included Kosuke Nakahira, director general of the International Finance Bureau of Japan's Finance Ministry, M.D. Cartland, secretary for monetary affairs from Hong Kong, Koh Beng Seng, deputy managing director of the Banking and Financial Institutions Group of the Monetary Authority of Singapore, and J.A. Fraser, deputy economic secretary of the treasury of Australia.

During the meeting, the participants reported their respective country's policies on foreign exchange and the securities markets, the Japanese officials said. Japan for its part explained about related discussions in such forums as the meeting of financial ministers and central bank governors of the Group of Seven (G-7) major industrial nations held at the end of April in Washington, as well as the Group of Ten (G-10) leading industrial nations, the officials said. The meeting was the third of its kind, with a fourth scheduled to be held in Sydney this fall, the officials added.

ASEAN National Secretariat Director Appointed

BK2505155393 Jakarta ANTARA in English 1403 GMT 25 May 93

[Text] Jakarta, May 25 (ANTARA)—Indonesian Minister of Foreign Affairs Ali Alatas Tuesday appointed Raharjo Jamtomo as the director general of ASEAN National Secretariat at the Ministry of Foreign Affairs replacing Agus Tarmizi. Alatas said the transfer of post is conducted in view of the ongoing development in the international political affairs. "The present changes and tendencies in international affairs made us face new challenges and opportunities," he said.

According to him, the restructurisation of the ASEAN institution makes the tasks of the secretariat become heavier and full of challenges. Tarmizi will be posted as Indonesian ambassador to Austria and Indonesian representative at the United Nations based in Vienna, while Jamtomo was the deputy of the Indonesian representative in Geneva.

Regional Water Consultation Opens in Hanoi

BK2605064193 Hanoi VNA in English 0527 GMT 26 May 93

[Text] Hanoi VNA May 26—A regional consultation on development of water resources was opened here yesterday under the joint sponsorship of the Centre on Integrated Rural Development for Asia and the Pacific (CIRDAP) and the Ministry of Agriculture and Food Industry.

The five-day consultation, attended by representatives from Bangladesh, India, Indonesia, Laos, Malaysia, Nepal, Pakistan, the Philippines, Sri Lanka, Thailand and Vietnam, is for final discussions of a CIRDAP project on developing water resources for small-scale irrigation and household purposes.

Deputy Minister of Agriculture and Food Industry Nguyen Thien Luan addressed the consultation. He stressed that the CIRDAP project 'is very suitable for Vietnam and a matter of great interest for vietnamese farmers'.

Japan

Finance Officials Rule Out Dollar's Unchecked Fall

OW2605110793 Tokyo KYODO in English 1055 GMT 26 May 93

[Text] Tokyo, May 26 KYODO—Japanese finance officials blamed speculation for the dollar's steep fall Wednesday and ruled out the unchecked precipitation for the U.S. currency. The dollar briefly dropped to a new low of 108.40 yen in London Wednesday morning, after opening at a record low of 108.80-90 yen.

In Tokyo, the dollar closed at a record low of 108.65 yen, down 1.91 yen from Tuesday's close. Finance Minister Yoshiro Hayashi attributed the dollar's weakness to speculation.

Bank of Japan Governor Yasushi Mieno ruled out the dollar's unilateral fall, saying finance officials from the Group of Seven major Western industrialized nations agreed at their April meeting that it is desirable for foreign exchange rates to stabilize while reflecting the economic fundamentals of respective countries.

Government and central bank officials expressed suspicion that the U.S. may be trying to allow the dollar to weaken in order to take the upper hand in its trade negotiations with Japan.

Dealers agreed that dollar-yen exchange rates will remain unstable as long as Japan keeps a huge trade surplus.

Tatsuo Abiru, an executive of Sakura Bank, said the current market environment is definately favorable for the yen's rise.

It is a common view in the market that the U.S. will take steps to check the dollar's fall only when the U.S. currency declines against all major currencies.

Market players believe that the yen will remain firm unless the market environment changes drastically, such as the raising of interest rates by Germany and a renewed downswing of the Japanese economy.

The official, who asked not to be named, also called a rapid rise of the yen "undesirable because it potentially will put a crimp on recovery of the Japanese economy."

The Japanese currency spurted almost 2 yen to a record closing low of 108.65 yen in Tokyo dealings Wednesday, as remarks by U.S. Treasury Undersecretary Lawrence Summers were taken as supporting a higher yen.

The yen further rose in London, hitting an all-time high of 108.40 yen at one time.

Summers presented to Congress a semiannual report, which says Japan's trade imbalance with the U.S. could be corrected by a decline of the dollar against the yen. Summers himself rejected the idea that the dollar should be guided lower to boost U.S. trade, but traders interpreted Summers' comments in other ways.

The Finance Ministry official said Summers made excuses over his remarks to Tadao Chino, vice finance minister for international affairs. Summers clearly told Chino that the U.S. Government has no intention of steering a yen higher and that Wednesday's surge of the yen was caused by the market's misunderstanding, according to the official.

Miyazawa Says Yen's Movement 'Too Steep'

OW2605112293 Tokyo KYODO in English 1109 GMT 26 May 93

[Text] Tokyo, May 26 KYODO—Prime Minister Kiichi Miyazawa expressed hope Wednesday that the Group of Seven industrialized nations will take concerted action to check the yen's rise against the dollar.

Miyazawa told the House of Representatives Budget Committee that the yen's movement is too steep and does not necessarily reflect economic fundamentals.

He cited an agreement of the seven countries to cooperate to curb drastic movements in the currency market.

Finance Minister Yoshiro Hayashi denied news reports that a report submitted to the U.S. Congress by the Treasury Department contained a reference allowing the yen's appreciation against the dollar. The Treasury Department confirmed the reports were unfounded, he said.

Market 'Overly Reacted' to U.S. Official's Remarks

OW2605120393 Tokyo KYODO in English 1119 GMT 26 May 93

[Text] Tokyo, May 26 KYODO—A ranking Finance Ministry official said Wednesday the currency market "overly reacted" to remarks by a U.S. official and a U.S. Government report, both apparently supporting a strong yen to narrow the bilateral trade gap. "Speculators who wanted any cue to buying or selling reacted overly," he said.

Official Hints at Concerted G-7 Intervention

OW2705130293 Tokyo KYODO in English 1255 GMT 27 May 93

[Text] Tokyo, May 27 KYODO—A senior Finance Ministry official indicated Thursday that Group of Seven central banks are ready to intervene in currency markets to halt the yen's upsurge. "We're ready to take necessary action whenever necessary while keeping close contact with other countries," the official said on condition of anonymity.

The official suggested that monetary authorities are now waiting for a chance to step into currency markets as the yen surged to a new postwar intraday high of 107.65 yen to the dollar in Tokyo interbank trading Thursday.

In London, the dollar opened at a postwar low there of 107.85-95 yen, down 0.85 yen from the previous day.

As of 11 A.M., the U.S. currency traded at 107.90-108.00 yen.

In New York, the dollar started at 108.30-40 yen in interbank trading Thursday.

MITI Requests 'More Prudent' U.S. Remarks

OW2705082593 Tokyo KYODO in English 0759 GMT 27 May 93

[Text] Tokyo, May 27 KYODO—Japan's vice trade minister blamed United States officials on Thursday for the yen's quick rise against the U.S. dollar. "There are too many comments (on exchange rates) by U.S. Government officials, which are exploited by speculative dealers," vice International Trade and Industry Minister Yuji Tanahashi said at a press conference.

Tanahashi called on the U.S. Government to be more prudent in the issue and to refrain from making incomprehensible remarks. "We cannot understand why they once said they welcome a stronger yen and then deny (their) previous words," Tanahashi said.

Tanahashi said the U.S. officials' remarks could spoil Japan's best efforts to recover from its dull economy.

As to calls for cutting utility charges as a way of passing on windfall profits from a stronger yen, Tanahashi reiterated that at present electric power companies do not have sufficient resources due to higher oil prices.

The U.S. dollar closed Thursday in Tokyo at 108.05 yen, down 0.60 yen from Wednesday's finish of 108.65 yen, renewing a closing low.

Tokyo, U.S. Plan Talks Before G-7 Summit

OW2705132393 Tokyo KYODO in English 1312 GMT 27 May 93

[Text] Tokyo, May 27 KYODO—Japan and the United States will hold bilateral talks on financial services before the July summit of the Group of Seven major industial nations, a senior Finance Ministry official said Thursday. The official said Japanese Finance Ministry officials and U.S. Treasury officials made progress in ironing out differences over financial regulations, notably those on equities index futures and options, at a meeting in Washington on Tuesday.

But the official noted that both sides need to meet again before the summit to resolve remaining pending issues.

Among the issues, the two sides are in agreement that the Japanese side will take into account U.S. options in reviewing rules on stock-index futures, among them those on the 225-issue Nikkei index. Futures contracts on the Nikkei index are currently traded in Japan, Singapore and the U.S., making them the most actively traded stock-index futures in the world.

The Finance Ministry announced plans last December to review Nikkei index futures traded on the Osaka Securities Exchange [OSE], and the OSE and the Tokyo Stock Exchange are now working on mapping out rules to prevent volatile spot market movements associated with Nikkei index futures.

But U.S. officials and brokerages have complained about new regulations on Nikkei index futures as such trading is the main earnings source of U.S. brokerages in Japan.

Tokyo, U.S. at Odds Over OECD Communique

OW2705111593 Tokyo KYODO in English 1054 GMT 27 May 93

[Text] Tokyo, May 27 KYODO—Japan and the United States are playing tug-of-war over the wording on trade policy in a communique to be issued by advanced industrial nations next month, Japanese Government sources said Thursday. The Paris-based Organization for Economic Cooperation and Development (OECD) is to issue the communique at its annual ministerial meeting in early June.

Japanese officials involved in preparatory talks for the OECD meeting are struggling to head off U.S. demands that an appeal for fiscal measures to cut Japan's massive trade surplus be included in the communique, the sources said.

The U.S. side is trying to thwart a Japanese push for including words against managed trade as Tokyo is looking to warn of dangers it sees in new U.S. trade policies, they said.

Tokyo is particularly concerned about a budding U.S. move toward setting sector-by-sector numerical targets for the U.S. share in foreign markets, notably Japan.

OECD member nations in Europe so far have kept themselves from being involved in the Japan-U.S. dispute over numerical targets as they are primarily aimed at Japan, the sources said.

Macroeconomic policy and employment, multilateral trade policy and relations between the OECD and developing and former socialist nations will be high on the agenda at the ministerial meeting.

Diet Debates Rescue Use of SDF Planes Abroad

OW2605154893 Tokyo KYODO in English 1452 GMT 26 May 93

[Text] Tokyo, May 26 KYODO—The Diet is close to enacting a controversial bill that will authorize dispatch overseas of warplanes to rescue Japanese nationals trapped in hostile situations, well-placed sources said

Wednesday. The sources, members of the Security Committee of the House of Representatives, said the bill would empower the government to send Self-Defense Forces (SDF) warplanes abroad to transport Japanese citizens enmeshed in life-threatening emergencies.

The bill is likely to be enacted early next month after the second-largest opposition party, Komeito, dropped its opposition in the wake of a series of assaults by armed factions in Cambodia against Japanese involved in U.N. peacekeeping operations.

The bill is expected to receive approval at the lower house Security Committee on June 1 and then at the plenary session of the House of Representatives on June 3. Following its endorsement by the lower chamber, it will be sent to the opposition-controlled House of Councillors, whose approval became certain with Komeito's change of heart, the sources said.

The bill was first introduced on to the parliamentary floor when controversy flared in Japan over the issue of safety of Japanese stranded in the Persian Gulf region at the time of the Gulf war.

Komeito decided to drop its opposition to the bill when the government verbally assured the Diet that it would not send SDF planes to regions gripped by tensions that threaten to erupt into large-scale conflict, the sources said. However, the bill proposes authorizing the SDF to use all types of its planes from C-130 transports to jet fighters.

UN Election Vehicles 'Sitting Idle' in Okayama

OW2705083493 Tokyo KYODO in English 0806 GMT 27 May 93

[Text] Tokyo, May 27 KYODO—A total of 494 vehicles purchased by the United Nations for use in election monitoring are still sitting idle in Japan, a senior Foreign Ministry official said Thursday.

Haruhiko Shibuya, director general of the Foreign Ministry's United Nations Bureau, told a meeting of the House of Councillrs' Budget Committee that the world body concluded a contract last year with a Japanese trading house to purchase 850 vehicles. Of the 850, 100 vehicles were shipped to Cambodia and 45 others were resold. A total of 101 vehicles are to be allocated to Mozambique and 100 to Somalia, according to Shibuya.

The remaining 494 vehicles, however, are being stored in Okayama Prefecture and have not been designated for use, the official said. Foreign Minister Kabun Muto told the upper house session that he will urge the U.N. to effectively use its funds.

Gaydar Apologizes for Yeltsin Visit Postponements

OW2705120693 Tokyo KYODO in English 1146 GMT 27 May 93

[Text] Tokyo, May 27 KYODO—A key adviser to Russian President Boris Yeltsin apologized Thursday for the Russian leader's decision to twice postpone visits to Japan, Foreign Ministry officials said. Yegor Gaydar, Russia's former acting prime minister, told Foreign Minister Kabun Muto that he was "deeply sorry" that Russia had caused problems for Japan.

Yeltsin abruptly postponed a visit set for last September, first citing domestic problems and then accusing Japan of inflexibility in a decades-long territorial dispute. In April, Yeltsin told the Russian media he wanted to visit Japan in late May, but then dropped the idea after talks between the two governments.

Gaydar, who arrived in Japan on Saturday to meet Japanese Government officials and parliamentarians, is an economics adviser to Yeltsin.

Officials said Gaydar stressed that the postponements did not indicate any lack of respect for Japan by Russia. He said it was merely a problem of communicating in the most appropriate manner.

Muto was quoted as saying that Yeltsin's behavior created "a certain dissatisfaction" among the Japanese public, with some people questioning why Japan should extend aid to Russia at all.

Ties between the two countries remain strained over four Russian-held islands off Hokkaido that were seized by Soviet troops at the end of World War II.

Gaydar, 37, said Yeltsin had expressed hopes of visiting Japan in May because the president sincerely wanted to improve the relationship.

Gaydar, who will leave Japan on Saturday, said he expects that next time the matter will be discussed carefully between the two governments before any announcement to the media.

On Monday, Hiroshi Mitsuzuka, the top policy coordinator in Japan's ruling Liberal Democratic Party (LDP), called on Gaydar to pressure Yeltsin to offer Japan a "straightforward apology." That, he said, would help restore "relations of trust" between Japan and Russia.

Officials said that Muto reaffirmed Japan's call on Moscow to agree to return the disputed islands so that the two countries can normalize relations with a peace treaty.

Gaydar told Muto that the question of territorial transfer has proved problematic in Russia since the government has been accused in the parliament of attempting to barter the country's sovereignty for benefits from the West. He said the problem should be resolved "on the

basis of law and justice," principles that Yeltsin considers extremely important despite various domestic difficulties that he faces.

Officials said Muto also raised the issue of Russia's internment under hard conditions of about 600,000 Japanese soldiers in Siberian labor camps at the end of World War II.

Gaydar, a chief architect of Russia's free market economic reforms, was said to have apologized for the episode.

Miyazawa Views 'Atmosphere' Regarding Russia

OW2705124993 Tokyo KYODO in English 1207 GMT 27 May 93

[Text] Tokyo, May 27 KYODO—Prime Minister Kiichi Miyazawa said Thursday he will demand that Russian President Boris Yeltsin commit to resolving a decades-old territorial row with Japan. Miyazawa told the House of Representatives' Budget Committee that he will make the demand during bilateral talks with Yeltsin when the Russian leader visits Tokyo for talks with leaders of the Group of Seven (G-7) major powers in July.

At the meeting with G-7 leaders, Yeltsin is expected to renew its call for greater financial aid for Russia's floundering economy gripped by high money supply and hyperinflation.

"There is a need to confirm that (Russia) has not broken away from its stand of resolving (the territorial row) on the basis of law and justice," he said. The territorial dispute involves four Russian-held islands off Japan's northernmost main island of Hokaaido, which were seized by the former Soviet Union at the end of World War II.

As about Moscow's hints of a possible visit by Yeltsin in autumn, the prime minister said, "we also would like to extend an invitation for talks (on the territorial issue)."

Miyazawa said Russia has probably not yet grasped an understanding of the "atmosphere" in Japan, in which many Japanese citizens are clamoring for the return of the islands. "Even if this atmosphere may have been grasped by the Russian side, (they) have not yet (made the effort) to take up the issue," in talks, he said.

Miyazawa also told the panel that political and economic moves in Russia should not be regarded as a problem unrelated to Japan. "It is not a stranger's problem of whether or not that superpower will be able to transform itself into a democracy with a market economy," he said.

"Japan would be annoyed if Russia failed to go in this direction (of building up a democracy and a market economy)."

Russians Decrease Fighter Force on Etorofu

OW2705131393 Tokyo KYODO in English 1253 GMT 27 May 93

[Text] Tokyo, May 27 KYODO—The total number of Russian jet fighters stationed on Etorofu Island has dropped to less than 10, Defense Agency sources said Thursday. About 40 MiG-23 fighters were stationed on the island in 1984. Only about 20 remained in early April and the number has continued to decrease, the sources said.

The sources said they cannot determine why Russia has reduced the number of the fighters stationed on Etorofu, one of four islands the former Soviet Union took from Japan at the end of World War II and Russia now holds. The three other islands are Shikotan, Kunashiri and the Habomai group of islets.

But the sources said there is little possibility that Russia will pull out all its fighters. The four islands have remained strategically important for Russia and vital to its security in the post cold war era, the sources said.

Russia may plan to replace the obsolete MiG-23 fighters with more modern fighters, the sources said, adding another alternative is that Russia may not be able to station new fighters there due to its severe economic plight.

Japan has asked Russia to reduce the number of fighters and military personnel stationed on the four disputed islands as a goodwill gesture to boost friendly reations with Japan.

Tokyo To Adopt ROK 'Comfort Women' Testimony

OW2705092093 Tokyo KYODO in English 0858 GMT 27 May 93

[Text] Tokyo, May 27 KYODO—A book of testimony by South Korean women who say they were forced to provide sex to Japanese soldiers during World War II will be incorporated into an official Japanese Government report on the issue, government sources said Thursday. The government will release its report on the "Comfort Women" this summer at the earliest following the first-ever official report on the issue released last July.

The South Korean book, (?"End) Forcibly Drafted Korean Comfort Women," was arranged by South Korean citizens groups and published in the country earlier this year. One of the citizens groups, The Conference on the South Korean Volunteer Corps Problem, is led by Yun Chong-uk, a professor at Ihwa Women's University in Seoul.

The book will be the first foreign material to be adopted into an official Japanese report on the wartime brothels, the sources said.

Japan has gathered infmation from domestic sources such as documents kept in the Defense Agency and the National Diet Library, and through interviews with people concerned, including former Japanese military officials.

Historians estimate that about 100,000 to 200,000 women, mostly from the Korean peninsula, were forced to provide sex to soldiers of the former Imperial Japanese Army. Foreign Ministry sources, however, said there is no proof so far that forced laborers, of any kind, by Japan ever existed.

In the book, 10 South Korean women, most of whom identify themselves, testify how they were forced to provide sex to Japanese soldiers through (?assaut) and blackmail.

The Japanese Government hopes to conduct direct interviews with the women who testified in the book, because some government officials insist the published testimony is not enough to prove the women were forced into being comfort women, the government sources said.

Japan has already asked the Conference on the South Korean Volunteer Corps Problem in Seoul for cooperation, but the Koreans are reluctant, fearing the Japanese Government will interpret the testimonies to favor its own position, the sources said.

North Korea

Nordic Symposium on Korean Armistice Continues

Sends Letter to Kim Chong-il

SK2605053393 Pyongyang KCNA in English 0439 GMT 26 May 93

[Text] Pyongyang, May 26 (KCNA)—The dear leader Comrade Kim Chong-il received a letter from the participants in the Nordic Symposium on the 40th anniversary of the armistice in Korea which was held in Helsinki.

In the letter they warmly congratulate the Korean people who are greeting the 40th anniversary of their victory in the Fatherland Liberation War and express firm solidarity with them in their struggle to achieve the independent and peaceful reunification of the country.

"Regarding the '10-point programme of the great unity of the whole nation for the reunification of the country' advanced by the great leader President Kim Il-song as a great charter of national unity for achieving the reunification of the country, we hail and fully support it," they say.

"Considering that the U.N. Security Council is not a place where such problem as the 'nuclear problem' of the Democratic People's Republic of Korea should be discussed, the symposium urged it not to repeat its past error in the Korean problem," they state. [sentence as received]

They declare in the letter that they will wage a broad international solidarity movement so that DPRK-U.S. negotiation be realized to withdraw the U.S. forces from South Korea, replace the Korean Armistice Agreement with a peace agreement, and solve the nuclear problem on the Korean peninsula.

They sincerely wish Comrade Kim Chong-il good health and long life.

Adopts Resolution on Koreas

SK2605234093 Pyongyang KCNA in English 1503 GMT 26 May 93

[Text] Pyongyang, May 26 (KCNA)—A resolution on the situation in the Korean peninsula was adopted at a Nordic symposium on the 40th anniversary of the armistice in Korea held in Helsinki on May 15.

It says the International Atomic Energy Agency's "resolution on special inspection" of the Democratic People's Republic of Korea was an infringement on the sovereignty of this country and an interference in its internal affairs.

Considering it unreasonable to take to the UN the question of the DPRK's withdrawal from the Nuclear Nonproliferation Treaty [NPT], an exercise of its right according to the treaty to defend the supreme interests of the country, while conniving at the illegal acts of the United States that had helped South Africa and Israel in the development of nuclear weapons in violation of the NPT and at the nuclear armament of Japan and South Korea, the resolution opposes and rejects discussion of this matter at the UN Security Council.

It says:

The Nordic symposium on the 40th anniversary of the armistice in Korea considers that the basic way of putting an end to the tragedy of division on the Korean peninsula is to realise the 10-point programme of the great unity of the whole nation for the reunification of the country, and extends full support and solidarity to the Korean people in their struggle to achieve peace and reunification of Korea.

We urge the present South Korean authorities to clarify their stand on the four-point demand—that is, to renounce the policy of dependence on outside forces, manifest their will to get the U.S. Forces withdrawn, stop joint military exercises with foreign forces for good and break away from the "nuclear umbrella" of the United States—and put it into practice.

We demand that the United States cease all kinds of military maneuvers including the "Team Spirit" joint military exercises against the DPRK, withdraw its troops

and nuclear weapons from South Korea, replace the Korean Armistice Agreement by a peace agreement and, for the present, give up its sinister attempt to impose "sanctions" on the DPRK over its fictitious "nuclear problem" and come out to the DPRK-U.S. negotiation for its solution.

We demand that the countries directly responsible for the Korean question including the United States do things helpful to the efforts of the Korean people to achieve a great national unity and reunify the country in an independent and peaceful way.

Committee Head Gives Report

SK2705053693 Pyongyang KCNA in English 0457 GMT 27 May 93

[Text] Pyongyang, May 27 (KCNA)—Anders Kristensen, secretary general of the Nordic cooperation committee for friendship and solidarity with the Korean people and chairman of the Denmark-DPRK Friendship Association, made a keynote report at the Nordic symposium on the 40th anniversary of the armistice in Korea held in Helsinki on May 15.

At the report he noted that the Korean war was the fiercest of wars ever fought on the earth in terms of armed forces involved in it or in its severity, but the Korean people defeated the aggressors and defended the freedom and independence of the country and their precious achievements and creditably safeguarded the peace and security of Asia and the world, thereby preventing the outbreak of a third world war.

He further said:

The Korean war showed that even a small and young country is capable of defeating any formidable enemy as long as it has the wise guidance of a great leader and party and the people.

Although it is nearly 40 years since the Korean Armistice Agreement was concluded, a touch-and-go dangerous situation reminding one of the eve of the Korean war has been created on the Korean peninsula. The situation is attributable to the attempt to force a "special inspection" on Korea.

The "special inspection" of the DPRK is, in essence, to demand the opening of ordinary military sites unrelated to nuclear activities and to take "collective sanctions" by invoking the United Nations in case of "noncompliance".

What we must take into account in this connection is, firstly, that this "special inspection" campaign began in real earnest after the director general of the International Atomic Energy Agency [IAEA] attended a "joint hearing" at both houses of U.S. Congress in July last year which discussed a "surprise inspection" or "special inspection" on the DPRK; secondly, that the "resolution" was adopted on the basis of the false "materials of satellite espionage" provided by the United States; thirdly, that it is totally contrary to the statute and regulations of the IAEA and the safeguards agreement; fourthly, that the "nuclear problem" of the North is not a topic for discussion at the United Nations.

The United States is the very one that caused the nuclear problem on the Korean peninsula, barred the DPRK from smoothly implementing the Nuclear Nonproliferation Treaty and compelled it to withdraw from the treaty. In view of this fact, DPRK-U.S. talks should be held if the nuclear problem on the Korean peninsula is to be solved finally.

All the war maneuvers including the "Team Spirit" leading the situation of the Korean peninsula to the brink of war must be stopped for good, the "nuclear clamor" against the DPRK be withdrawn and the nuclear problem of the Korean peninsula be solved through negotiation on all accounts.

The United States, as the party directly responsible for the Korean question, must withdraw its troops and nuclear weapons from South Korea at the earliest possible date and no longer meddle in the internal affairs of Korea.

The IAEA must immediately withdraw the "resolution on special inspection" regarding the "nuclear problem" of the DPRK and respond to its proposal.

The Nordic cooperation committee and friendship and solidarity organisations can never remain an on-looker to all the despicable moves to destroy socialist Korea but should actively turn out to support and encourage the just cause of the Korean people.

If any adventurous "collective sanctions" aimed at stifling Korea are taken, we would be unsparing in our moral and material support of all forms, with a resolve to fight it in the same trench with the heroic Korean people.

International Liaison Committee Issues Communique

SK2705051793 Pyongyang KCNA in English 0447 GMT 27 May 93

[Text] Pyongyang, May 27 (KCNA)—A communique of the International Liaison Committee for Reunification and Peace in Korea on the convocation of a world conference supporting the Korean people's cause of peace, security, sovereignty and reunification was published in Paris on May 26.

The communique says:

Today the situation of the Korean peninsula is in an unpredictable, very dangerous state.

The United States presented a nuclear threat with "Team Spirit" nuclear war exercises, raising outcries over fictitious "nuclear suspicion" against the Democratic People's Republic of Korea, while instigating some officials of the International Atomic Energy Agency to

demand a "special inspection" of ordinary military sites of the DPRK unrelated to nuclear facilities.

It is a lawful exercise of sovereignty for the DPRK to withdraw from the Nuclear Nonproliferation Treaty [NPT] under the extraordinary situation in which the NPT is being abused to infringe upon the sovereignty of the country.

The United States, however, is trying to put pressure on and take "sanctions" against the DPRK through the U.N. Security Council.

The world public is deeply worried over what situation would be created on the Korean peninsula if such unreasonable strong-arm act to violate the dignity and sovereignty of the DPRK continued.

It is an urgent task of progressive mankind for peace in Asia and the world at present to support the struggle of the Korean people for thwarting and frustrating the arbitrary practice and policy of strength of the United States to isolate and stifle the DPRK and to defending the security and sovereignty of the country.

Hence the International Liaison Committee for Reunification and Peace in Korea decided to hold a world conference supporting the Korean people's cause of peace, security, sovereignty and reunification in Lisbon, the capital of Portugal, from May 30 to 31, 1993.

The conference will be attended by delegates of the governments, political parties and organisations of different countries and international organisations, political and public figures and men of the press.

Daily Denounces Plutonium Sales to Japan

SK2705052893 Pyongyang KCNA in English 0501 GMT 27 May 93

["True Color of Nuclear Propagators"—KCNA headline]

[Text] Pyongyang, May 27 (KCNA)—Britain and France have sold plutonium to Japan and are now intending to supply it to South Korea, says NODONG SINMUN today, and adds: This indicates that their noisy call for "nuclear nonproliferation" is nothing but a hypocrisy and they are zealously encouraging nuclear armament of Japan and South Korea.

The analyst notes:

The acts of Britain and France are fraught with a great danger.

Britain is hinting its resumption of nuclear test under the pretext of the need to develop new types of nuclear weapons and France, too, is revealing its design for nuclear test. They, both nuclear nations, are trying to fill their nuclear arsenals with new types of nuclear weapons and are going against the trend of the time toward nuclear disarmament, while helping Japan and South Korea in their nuclear armament. They are also attempting to put pressure on others under the pretext of a fictitious "nuclear problem". This is a too arrogant and shameless behavior and an open expression of double standard.

They must be mindful that if the danger of a nuclear war was increased by Japan and South Korea and it resulted in imposing irrevocable disasters upon humanity, they will have to face a stern judgement as conspirators.

Daily Denounces UK, France as 'Disseminators'

SK2705063293 Pyongyang Korean Central Broadcasting Network in Korean 0027 GMT 27 May 93

[NODONG SINMUN 27 May commentary: "True Color as Nuclear Disseminator"]

[Text] The true colors of England and France as nuclear disseminators have been more flagrantly exposed.

According to a report, England turned over plutonium to Japan on many occasions, and will continue to do so in the future. England also plans to produce plutonium and turn it over to South Korea in accordance with a joint accord on reprocessing. It is already common knowledge that France turned over plutonium to Japan.

England and France are nations that talk loudly about nuclear nonproliferation. Their actions of turning over plutonium to Japan and planning to offer South Korea some show their remarks about nuclear nonproliferation to be hypocritical.

The actions of England and France are of a grave and dangerous nature because they bring the hotbed of nuclear war to the Far East and increase the danger for nuclear war.

It is public knowledge that Japan is frantically pushing ahead with a plot to become a nuclear power. Japan is not only capable of manufacturing nuclear weapons at any time, they have also stockpiled more plutonium than necessary. Japan is accelerating the process of becoming a nuclear power because it intends to realize its ambition for reinvasion by means of strength.

South Korea's nuclear armament is being carried out at a very dangerous stage. A nuclear bomb [haektan] producing base has been built in South Korea and suspicions that nuclear bombs are being manufactured there have increased. In addition, the project for introducing long-range nuclear delivery means is progressing vigorously.

Japan and South Korea have become the hotbed of nuclear war in the Far East both in name and reality, and because of them, the danger of nuclear war increases with each passing day. Thus, turning over materials needed for the manufacture of nuclear weapons to Japan and South Korea are acts actively instigating their

nuclear armament. Such actions are a grave threat to peace and security in Asia and in the world. The problem does not end here.

England is talking about resuming nuclear tests by advocating the need for development of new nuclear weapons and France has also expressed its intention to conduct nuclear tests.

England and France, as nuclear powers, are maneuvering to fill their nuclear weapon arsenals with new nuclear weapons and to help in the nuclear armament of Japan and South Korea, thus going against the trend of nuclear disarmament.

At the same time, England and France are attempting to pressure others by picking a quarrel with them over nonexistent nuclear issues. This is indeed an arrogant and shameless act, and is an undisguised example of the application of double standards.

If the danger of nuclear war in Japan and South Korea increases to the point that nuclear war results with irretrievable calamities for mankind, England and France will be judged as accomplices. They should be keenly aware of this.

Nuclear armament is the way to drive Japan and South Korea towards destruction. The Japanese and South Korean authorities should abandon the ambition for nuclear armament and should immediately stop the farce of bringing in plutonium from other countries.

Those who want to live in a peaceful world, free from nuclear war, should propose checking the dangerous actions of England and France and checking and frustrating the nuclear ambition of Japan and South Korea as a common task and should actively struggle for its realization.

Iran Friendship Week Celebrates Khamane'i Visit

SK2705051393 Pyongyang KCNA in English 0441 GMT 27 May 93

[Text] Pyongyang, May 27 (KCNA)—A week of Korea-Iran friendship was set on the occasion of the fourth anniversary of the visit to the Democratic People's Republic of Korea by Iranian Islamic leader 'Ali Khamene'i.

Colourful functions including film shows, photo exhibition and friendship gatherings will take place during the friendship week.

Its opening ceremony was held here Wednesday.

Present there were Chong Ha-chol, chairman of the Radio and TV Broadcasting Committee of the DPRK and chairman of the Korea-Iran Friendship Association, Chon Yon-ok, vice-chairwoman of the Korean Committee for Cultural Relations With Foreign Countries, and other officials concerned and working people in the city.

Invited there were Ambassador Hasan Taherian and officials of the Iranian Embassy here.

Speeches were made at the ceremony.

The participants saw pictures showing achievements made by the Iranian people in the building of a new society.

Then they appreciated a documentary film on the Korean visit of the Iranian Islamic leader.

Vice President Arrives in Guinea 22 May

SK2705014293 Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 24 May 93

[Text] Comrade Yi Chong-ok, vice president of the DPRK and a special envoy of the great leader Comrade Kim Il-song, arrived in Guinea on 22 May.

Ibrahima Sylla, minister of foreign Affairs and cooperation; the general secretary of the ministry; and functionaries concerned received him at the airport. Our country's ambassador to Guinea was also there.

Kim Yong-nam Meets New Lao, Jordanian Envoys

SK2705050793 Pyongyang KCNA in English 0438 GMT 27 May 93

[Text] Pyongyang, May 27 (KCNA)—Vice-Premier and Foreign Minister Kim Yong-nam Wednesday met and had conversations separately with Ponmek Dalaloi and Samih al-Faraj, newly-appointed ambassadors extraordinary and plenipotentiary of the Lao People's Democratic Republic and the Hashemite Kingdom of Jordan to Korea.

KCNA Calls Cooperative Farm 'Granary of Korea'

SK2605235693 Pyongyang KCNA in English 1525 GMT 26 May 93

[Text] Pyongyang, May 26 (KCNA)—There is a beautiful farm village, Wonhwa-ri, in the southern part of Pyongwon County, South Pyongan Province, a granary of Korea.

The farm registered the great leader President Kim Il-song as its honorary member in 1955.

It has historical relics such as the list of the names of the 121 members of the cooperative farm at that time with his name at its top, the farming plan which he saw, discussing farming, and an abacus which he used.

There are also a radio and hundreds of books of agricultural technology which he had used at his residence and read before sending them to the farmers.

President Kim Il-song has visited this village once unknown on 30 occasions.

He called at the village early on the morning of one day of May 1952 in the thick of war, sowed seeds and carried manure to fields with farmers till evening, inspiring them to increased production of grain in the wartime. He also unfolded a blueprint for building the village into a place good to live in.

He visited the village again in November 1955 after a cooperative was formed and had himself registered its member and encouraged the farmers to do farming well after acquainting himself with the difficult living and farming after the war.

In 1956 alone he visited the village four times. He studied its farming plan and personally calculated the cost price of livestock products, indicating ways for providing the farmers with a more abundant life.

He called at the village almost every year—in 1958, 1959, 1961 ... ...—[ellipses as received] acquainted himself with land re-zoning, housing construction and the building of cultural and welfare facilities and took appropriate measures.

At the beginning of a year he visited the village to indicate ways for housing construction and the building of a school and take measures to this end. In the fall he visited it again and went round the newly built modern houses, taking a good care of the farmers' life with paternal affection.

The farmers of the village have always been the pacesetter in agricultural production with the honor of working at the farm which has President Kim Il-song as its honorary member.

Wonhwa-ri which had been an obscure village has turned into a socialist modern, industrialized farm village under his wise guidance.

Now the farm has more than 50 tractors, 100 rice-transplanting machines, rice harvestors and other modern farm machines.

Yi Su-ok who sowed seeds in spring with President Kim Il-song 40 odd years ago during the war would tell her son Yi Tong-pin, head of the youth subworkteam, that he should do farming well to exalt the honor of the farm.

KCNA Reviews 27 May Pyongyang Press

SK2705055193 Pyongyang KCNA in English 0511 GMT 27 May 93

[Press review]

[Text] Pyongyang, May 27 (KCNA)—NODONG SINMUN today reports that the great leader President Kim Il-song received solidarity messages from foreign organisations supporting the "10-point programme of the great unity of the whole nation for the reunification of the country" put forward by him.

Under the fixed title "On the Road of Great Victory in the War", the paper begins to serialize articles on the immortal feats of President Kim Il-song in leading the fatherland liberation war to a brilliant victory.

Appearing in the paper are a message of greetings the dear leader Comrade Kim Chong-il received from Stevan Mirkovic, chairman of the National Committee of the League of Communists-Movement for Yugoslavia, upon his election as chairman of the National Defence Commission of the Democratic People's Republic of Korea and a report that congratulatory messages or letters came to him from various countries on this occasion.

Appearing in the paper are a letter to Comrade Kim Chong-il from the participants in the Nordic Symposium on the 40th anniversary of the Armistice in Korea, an account of the symposium, the keynote report made there, a resolution adopted there and its letters addressed to the governments of Nordic countries, the U.S. Congress and the president of the United Nations Security Council.

According to the paper, works of Comrade Kim Chong-il were reported in various countries.

The paper carries a solidarity message to the Central Committee of the Workers' Party of Korea from the Central Committee of the Mozambique Liberation Front Party supporting the Korean people's cause of national reunification.

Conveyed in the paper are foreign public voices praising the feats of Comrade Kim Chong-il in leading the Korean People's Army.

Appearing in the press is a communique of the International Liaison Committee for Reunification and Peace in Korea on the convocation of the world conference supporting the Korean people's cause of peace, security, sovereignty and reunification.

Econews of the press includes reports about achievements made by the working people of various domains of the national economy in the campaign to create the "speed of the general advance of Korean-style socialism" to proudly greet the 40th anniversary of the victory in the fatherland liberation war in hearty response to the calls of the Central Committee of the Workers' Party of Korea.

The press informs the readers that talks between the DPRK and the USA will open in New York on June 2.

NODONG SINMUN in a commentary denounces the criminal acts of Britain and France in encouraging Japan and South Korea to nuclear arming.

The unjustifiable "resolution" of the United Nations against the DPRK was denounced in different countries, reports the paper.

A commentary of MINJU CHOSON stresses the justness of the struggle of the South Korean people of all social standings for a correct solution of the Kwangju problem of May 1980.

An article of the paper brands the United States as the backstage manipulator of the Kwangju massacre.

NODONG SINMUN reprints an article of the South Korean publication "SISA JOURNAL" denouncing the drafting of Korean women during the Japanese imperialist colonial rule under the headline "Drafting of [passage indistinct] in the press that the Indonesian president supported the idea of creating an economic development zone. Eritrea proclaimed its independence and XINHUA lashed out at the false propaganda of Britain preaching "Independence of Tibet".

Papers introduce the Cambodian situation surrounding the general elections.

South Korea

President Sees No Plan for 'Absorbing North'

SK2705081893 Seoul YONHAP in English 0806 GMT 27 May 93

[Text] Seoul, May 26 (YONHAP)—President Kim Yong-sam told Chinese Foreign Minister Qian Qichen in a meeting Thursday that South Korea had no intention of unifying the country by absorbing North Korea.

As soon as the nuclear problem was resolved, South Korea would expand its economic cooperation with North Korea, regarding Pyongyang as a partner for the development and prosperity of Northeast Asia, Kim told his visitor.

He asked for China's help in resolving the nuclear question which, Kim said, is making the Korean peninsula highly unstable and which would bring a highly undesirable element to Northeast Asia including China.

Qian reiterated China's support for the inter-Korean denuclearization declaration that bars the deployment of nuclear weapons anywhere in the Korean peninsula.

Qian assured President Kim that China will do its utmost in persuading North Korea, presidential spokesman Yi Kyong-chae said.

Kim noted that economic relations between South Korea and China are mutually supplementary and said that he hoped the two countries would continue to work toward a productive partnership.

The president said that he hoped the two countries would work for early conclusion of a civil aviation treaty and an agreement on avoiding double taxation.

Kim expressed his satisfaction over active exchanges of visits by high government officials increasing bilateral trade since the two countries established diplomatic relations. Kim said he hoped they would continue to expand.

The president hoped that President Jiang Zemin could visit South Korea at an early date and Qian assured his host he would convey the message to Jiang.

Kim said he was highly impressed by China's successful reform policy pushed by Beijing amid social stability and sustained economic growth in the past several years.

Kim awarded Qian the Kwanghwa Medal of the Order of Diplomatic Service Merit before hosting luncheon for the visitor.

Prosecution To Check Pro-North Student Activities

SK2705031393 Seoul KBS-1 Radio Network in Korean 2330 GMT 26 May 93

[Text] The Alliance of General Associations of University Students of Korea [Hanchongnyon] plans to hold events marking its first-term inauguration at Korea University over a period of three days starting today. During this period, the students will hold various events and exhibitions. Regarding such events and exhibitions as violations of the National Security Law, however, the prosecution has decided to deal strongly with them.

The Public Security Department No. 2 in the Seoul District Prosecutors' Office obtained information that Hanchongnyon was planning to hold a pan-Hanchongnyon joint chairmen's conference with North Korean delegates in Japan via international telephone service during the three-day period. The Hanchongnyon was also said to be planning to exhibit photographs of Kim Il-song and Kim Chong-il, to raise the North Korean flag, and to show North Korean movies.

Obtaining a search and confiscation warrant sometime today, the prosecution will check the Hanchongnyon's attempt to contact North Korean delegates via international telephone and will take judicial steps against ringleaders involved in raising the North Korean flag.

PRC Foreign Minister Continues Visit 27 May

Questioned on Taiwan Issue

SK2705082993 Seoul YONHAP in English 0809 GMT 27 May 93

[Text] Seoul, May 27 (YONHAP)—South Korean reporters saved Chinese Foreign Minister Qian Qichen from bombardment by Taiwanese journalists with questions on Beijing-Taipei relations during a news conference Thursday.

At one stage in the news conference, a Taiwanese reporter grabbed the microphone and asked the foreign minister what he thought was the best method to unite Korea.

Qian, after lengthy description of how two Koreas existed on the peninsula and how both were members of the United Nations, said: "I am sure there is strong opinion that China, too, must be reunited.

"But Beijing will never allow Taiwan's independence, never allow two Chinas. This is laughable considering the flow of history."

After two straight questions and two straight answers about "never, ever" allowing two Chinas, Qian made sure through his translator and the ambassador that the next question came from a South Korean reporter.

Amb. Zhang Tingyan, pointing to a questioner he wasn't sure was Taiwanese or Korean, made sure he was Korean before allowing the question.

Discusses Regional Security

SK2705044793 Seoul YONHAP in English 0431 GMT 27 May 93

[Text] Seoul, May 27 (YONHAP)—South Korea and China opened the way for a new collective security arrangement in the Asia-Pacific region in foreign ministers talks Thursday [27 May].

"We expressed South Korea's interest in seeing development of regional multilateral security dialogue," Assistant Foreign Minister Sin Ki-pok said. "China commented on the importance of bilateral and multilateral consultations for regional security."

This development comes amid talk between Japan and China of establishing an exclusive bilateral channel to discuss security issues.

Seoul, taking the most aggressive stance, announced this week that it supports security dialogue and an Asia-Pacific summit.

The second meeting of Chinese Foreign Minister Qian Qichen's four-day Seoul visit covered bilateral relations, including an aviation accord, the opening of consulates-general and trade matters, Sin said.

Seoul-Beijing direct air services have been grounded by a dispute over the control transfer point. South Korea insists on 124 degrees latitude, as set by the international civil aviation organization, while China insists on 125 degrees.

"The foreign ministers agreed to proceed with early negotiations under a consensus that an aviation accord would flourish people's and economic exchanges," Sin said.

Qian objected to concessional tariffs on agricultural imports from Beijing, and asked for a favorable consideration, he said.

Seoul levies tariffs on 45 agricultural products, including 26 imported from China.

The two sides discussed an exchange of consulates-general, with Seoul hoping for openings in Shenyang and Guangzhou. Foreign Minister Han Sung-chu promised to help China open a consulate-general in Pusan.

Qian suggested there was difficulty in arranging Communist Party Secretary-General Jiang Zemin's visit anytime soon, saying the two countries needed to continue consultations, Sin said.

The Chinese foreign minister invited Han to visit Beijing this fall, and Han accepted, Sin said.

Seoul, Beijing Sign Maritime Agreement

SK2705023293 Seoul YONHAP in English 0141 GMT 27 May 93

[Text] Seoul, May 27 (YONHAP)—South Korea and China signed a maritime transport agreement Thursday allowing passenger and cargo services on national-flag vessels and giving each other most-favored-nation status. Foreign Ministers Han Sung-chu and Qian Qichen signed the agreement, which opens the way for the two countries to compete for cargo on third-country routes and equal sharing of freight on South Korea-China services. Most-favored-nation status removes any discriminatory treatment on opening branch offices or in using port facilities.

Further on DPRK Nuclear Proliferation Issue

PRC's Qian Opposes Pressure on DPRK

SK2705075093 Seoul YONHAP in English 0737 GMT 27 May 93

[Report on news conference with PRC Foreign Minister Qian Qichen in Seoul on 27 May]

[Text] Seoul, May 27 (YONHAP)—China pins its hopes on planned dialogue with North Korea to solve the nuclear problem and remains against putting pressure on Pyongyang, Foreign Minister Qian Qichen said Thursday.

"We support dialogue between North Korea and the United States, North Korea and the International Atomic Energy Agency (IAEA), and inter-Korean dialogue," Qian told a press conference. "We hope there is much progress at these talks. We oppose use of pressure."

Qian, who is also deputy premier, is in Seoul on a four-day visit that began Wednesday. He has met twice with Foreign Minister Han Sung-chu and agreed on "close consultation on all matters" related to solving North Korea's nuclear problem.

South Korean officials say the two sides have decided to cooperate so that the North Korean situation can be untangled before the U.N. Security Council decides to take further action.

China abstained from the May 11 U.N. resolution urging North Korea to "reconsider" its decision to leave the Nuclear Non-Proliferation Treaty (NPT) and comply with IAEA special inspection.

Qian denied reports that Vice Foreign Minister Tang Jiaxuan recently visited North Korea to find Pyongyang's position on the nuclear issue, saying no delegation was sent to Pyongyang.

Asked if China was demanding payment in cash for goods sold to North Korea, the foreign minister said that trade with Pyongyang involved payment in both cash and kind.

Asked whether Pyongyang had consulted Beijing prior to proposing an inter-Korean summit Tuesday, Qian said he did not learn about the proposal until he met Han on Wednesday.

Minister Views Benefits of PRC Role

SK2705100093 Seoul YONHAP in English 0948 GMT 27 May 93

[Text] Seoul, May 27 (YONHAP)—China's role in solving North Korea's nuclear situation is showing Pyongyang the benefits and losses depending on whether it decides to accept international inspection on its suspected nuclear program, Foreign Minister Han Sung-chu said Thursday.

"China believes it cannot play mediator. It believes its' influence on North Korea is limited," said Han in a press conference wrapping up his two meetings with Chinese Foreign Minister Qian Qichen.

"But there are roles other than a mediator that China can assume. The most important among them is reminding North Korea of benefits and losses depending on whether it resolves its nuclear problem," Han said.

The two countries discussed possibility of economic sanctions on North Korea during the foreign ministers' talks, Han said, and the agreement was to stop the situation before sanction measures by the U.N. Security Council.

To talk about avoiding sanctions is impossible unless the two sides first discuss the possibility of such punitive measures, said the foreign minister.

Qian and Han had met for nearly 90 minutes Wednesday immediately after the Chinese foreign minister's arrival in Seoul to discuss North Korea's nuclear crisis.

Thursday's meeting focused on bilateral issues.

Seoul officials said in post-meeting briefing that the two countries agreed on stepped up cooperation to solve the problem before the Security Council deems it necessary to take further actions after its May 11 resolution.

The two sides also agreed on close consultation on all matters related to this issue.

"South Korea and China hardly differed in understanding and mapping solution to this issue," said Han in evaluation of his talks with Qian.

"There was hardly any part where we differed in opinion," he said, "the talks were successful and productive."

The common understanding, as Han put it, was the [as received] both Seoul and Beijing want nuclear-free Korean peninsula, ways to keep the peninsula without nuclear weapons, and removing all suspicion of nuclear development.

Shared solution was for peaceful negotiations and telling North Korea exactly what it stands to gain or lose, he said.

Asked about the prospect of resuming and continuing inter-Korean dialogue, Han said the negotiation channel cannot but be affected if North Korea does not join back the Nuclear Non-Proliferation Treaty before the June 12 deadline when its withdrawal becomes official.

"Discontinuing the inter-Korean dialogue is one possible countermeasure," he said.

Seoul To Accept DPRK Contact Proposal

SK2705032393 Seoul KBS-1 Radio Network in Korean 0207 GMT 27 May 93

[Text] The government has decided to accept the North's proposal for a preliminary vice ministerial contact on an exchange of special envoys. It will deliver its decision to the North side on the morning of 29 May.

After holding a high-level strategic meeting of ministers concerned with unification chaired by Prime Minister Hwang In-song at the prime minister's residence at Samchong-tong in Seoul today, the government decided to accept the North's proposal for the preliminary contact.

The government decided to accept the North's proposal on condition that the nuclear issue is resolved first. The government will put our draft on the proposal in concrete form after more discussions with ministries concerned and will then inform North Korea of it.

The participants in today's meeting agreed that there is no reason for our side to avoid exchanges of envoys. However, because it was pointed out that an exchange of envoys could reduce both sides' efforts to resolve the nuclear issue, they decided to consider demanding that the nuclear issue be resolved prior to the exchange of envoys.

Accordingly, the government will hold another high-level strategic meeting of ministers concerned with unification to make its final decision.

By saying that not only the agenda for the talks but also the timing are under discussion, National Unification Board Vice Minister Song Yong-pae hinted at the possibility that the preliminary contact will be delayed until

after 2 June, when the U.S.-North Korea talks are supposed to be held, and will not be held on 30 May as the North side suggested.

Cabinet To Reveal Conditions for Talks

SK2705064393 Seoul YONHAP in English 0625 GMT 27 May 93

[Text] Seoul, May 27 (YONHAP)—Cabinet ministers agreed Thursday to accept a North Korean proposal to exchange special envoys to discuss pending inter-Korean issues on condition that the inter-Korean dialogue should give priority to resolution of the nuclear problem, informed sources said. The agreement came in a meeting of ministers concerned with unification affairs headed by Prime Minister Hwang In-song, the sources said.

The ministers will hold additional discussions to work out a counter-proposal and convey it to North Korea, they said. Specifically, the government is understood to be debating two possible proposals.

One calls for the exchange of special envoys, but at the same time for the two sides [to] try and resolve the nuclear issue through the existing channel of the prime ministerial conference. Another is to let the special envoys discuss the nuclear question ahead of all other pending issues, sources said.

The government is likely to convene another session of ministers concerned with unification or a strategic planning conference soon to finalize one of the plans before telling North Korea the South Korean position on Saturday morning [29 May].

As a result, the proposed meeting of special envoys could take place after June 2, when North Korea is scheduled to hold a high-level meeting with the United States in New York, since North Korea will have to have time to consider the South Korean counter-proposal.

A senior government official said Thursday's meeting could not arrive at a final decision because there were a number of points that called for more study.

Russia Keeping 'Watchful Eye' on Issue

SK2705015093 Seoul YONHAP in English 0126 GMT 27 May 93

[Text] Moscow, May 26 [date as received] (YONHAP)—Russian Defense Minister Pavel Grachev said Wednesday [26 May] that Russia considered cooperative relations with South Korea important and was looking forward to developing as much bilateral cooperation in the military field as in the political and economic sectors. He also told new Korean Ambassador to Moscow Kim Sok-kyu that the North Korean decision to leave the Nuclear Nonproliferation Treaty [NPT] was "worth condemnation" and that he was keeping a watchful eye on the North Korean nuclear issue.

On prospects for military cooperation between Korea and Russia, Grachev said that the two countries had made a big stride in a short time by concluding a protocol on military cooperation and termed it a "good start." Grachev added that he expected the two countries to cooperate more closely not only in military exchanges but in the defense industry. He expected his Korean counterpart, Kwon Yong-hae, to visit Russia in the near future and predicted that exchanges of naval vessels and military delegations would be made soon in accordance with the protocol on Korea-Russia military cooperation.

A visit of Korean naval vessels to the Russian Far East port of Vladivostok was scheduled for April but deiayed due to the trouble caused by North Korea's decision to leave the NPT. It is now set for July, informed sources say.

Meanwhile, an official at the Defense Ministry said that Moscow wouldn't extend any support to North Korea for nuclear development even after North Korea's NPT problem was resolved peacefully.

ROK, Russia Agree To Investigate Nuclear Dumping

SK2705013893 Seoul YONHAP in English 0018 GMT 27 May 93

[Text] Moscow, May 26 [date as received] (YONHAP)—South Korea and Russia agreed in principle on Wednesday [26 May] to conduct a government-level joint investigation into the dumping of nuclear waste into the East Sea by the Soviet Union [as received] and Russia.

In their two days of talks they decided to hold a working-level meeting to discuss details of the joint investigation in the near future.

The two countries also agreed that there should be preliminary exploration by the Korea Maritime Research Institute and research institutes in Vladivostok before the government-level study.

Russia expressed its regret at causing concern to the Korean people with the dumping of nuclear waste into the East Sea and promised that it would not happen again.

Agreement Detailed

SK2705045693 Seoul YONHAP in English 0250 GMT 27 May 93

[Text] Seoul, May 27 (YONHAP)—South Korea and Russia have agreed on early joint probe of nuclear waste dumped in the East Sea by Moscow for more than 25 years, Foreign Ministry officials said Thursday. Delegates to negotiations in Moscow had reported back that a working-level meeting between technical experts would open in the near future to set a detailed plan on the joint probe, officials said. Dates for the meeting will be determined through diplomatic channels, they said.

Moscow admitted that the Soviet Union and its successor Russia tossed over 144,000 cubic meters of radioactive waste into the East Sea and Kamchatka between 1966 and 1992. It said Russia had to dump more nuclear waste in the area because it lacked facilities on land. Korea officially announced after independent investigation that it found no evidence of deadly contamination, but is urging Russia for a pre-survey before the joint probe to expedite the process.

Officials said the two sides agreed to consider a bilateral network to check on radioactive contamination of the East Sea.

Diplomatic Relations Established With Eritrea

SK2705091493 Seoul YONHAP in English 0811 GMT 27 May 93

[Text] Seoul, May 27 (YONHAP)—South Korea established diplomatic relations with Eritrea on May 24, when the country officially became independent from Ethiopia, the Foreign Ministry announced Thursday.

Kim Sung-yong, South Korean ambassador to Ethiopia, signed the diplomatic normalization protocol with Eritrean Foreign Minister Mahmud Ahmed Mahmud, setting up normal ties, the ministry said.

Some 99.8 percent of Eritrean citizens voted in favor of independence from Ethiopia in a ballot late April, and independence became official on May 24.

Eritrea is the 172nd nation with which South Korea has established full relations.

Australian Premier To Visit Seoul 20-23 Jun

SK2705021093 Seoul YONHAP in English 0132 GMT 27 May 93

[Text] Seoul, May 27 (YONHAP)—Australian Prime Minister Paul Keating makes a state visit to South Korea on June 20-23, Presidential Spokesman Yi Kyong-chae announced Thursday. Keating will hold summit talks with President Kim Yong-sam during his stay and discuss bilateral cooperation in Asia and the Pacific Region and ways to strengthen commercial and economic partnership, Yi said.

Korea Telecom To Join World Telecom Group

SK2705050093 Seoul THE KOREA HERALD in English 27 May 93 p 3

[Text] Korea Telecom has joined an international effort by the world's major telephone carriers to form a joint front against the advance of international "resalers" into the telecom market, a spokesman announced yesterday.

AT&T of the United States, Japan's KDD and Singapore Telecom are pushing for a multilateral association in which the world's major telephone companies will discuss joint global marketing.

Korea Telecom's entry Tuesday into the proposed association is necessary to secure a competitive edge against international resalers, said Chon Pyong-sop, a director at Korea Telecom's international telecommunications bureau.

With the domestic value-added network (VAN) service market set to open to international competition next year, Chon said international resalers are expected to swoop down with promises to provide various VAN services at cheap prices.

The name of international resalers comes from the fact that they lease telephone circuits from major carriers to sell their VAN services including international phone service. Capitalizing on differences in service fees in various nations and using the latest technological gimmicks, their services come at highly competitive prices.

The proposed association, called the Worldpartners Group, aims at establishing a global network that would allow multinational companies to expedite their telecommunications linkups.

The network would offer a "one-stop" service in which a global business wishing to have private line service will only have to deal with one telephone company for subscription, billing and maintenance.

AT&T and other promoters of the alliance plan to introduce the service in North America and Asia by the end of this year and are inviting other telecom companies around the world to join the association.

The new service could mean a major setback for international resalers who have similar customized communications service as one of their major business lines, Chon said.

The so-called international virtual private network (IVPN) is popular among global corporations with operations scattered around the world. It enables smooth and quick transmissions of voice and data among their branch offices.

As a member of the Worldpartners Group, Korea Telecom will gain competitiveness against potential challenges from international resalers in the IVPN and other VAN service market, Chon said.

Panel To Simplify Trade, Customs Procedures

SK2705052393 Seoul THE KOREA HERALD in English 27 May 93 p 8

[Text] The government plans to simplify trade procedures panel working on the improvement of administrative regulations said yesterday.

In a report to a committee on a new five-year economic plan (1993-97), the interministerial panel said the government will stop requiring the mandatory inspection of export items before the end of this year.

Instead, it said, exporters may voluntarily request that the inspection agency check their items.

The government will ease restrictions on the qualifications required for a registered trade agent by lowering the minimum yearly income from service charges from the current $30,000 to $10,000 in July, it said.

The government will also not require trade agents to register when the balance of payments improves, it said.

The government will overhaul the type-approval system by 1995, it said, adding that an improvement plan will be ready during the second half of this year.

It said the government will not require type approval for products that do not pose a threat to safety.

The government will also make it easy to start businesses by easing regulations on entry, the panel said.

In the agricultural sector, it said, foreigners will be allowed to invest in the manufacture of farming machinery.

Restrictions will be eased for agricultural producers to manufacture processed foods, it said.

The government plans to lift a ban on entry into petroleum refining while liberalizing the prices petroleum products after 1996, it said.

To help provide more land as factory sites, it said, the government will ease restrictions on land use.

The government will also simplify procedures for obtaining approval for factory construction and thus help reduce the period from the application for approval to completion of construction, it said.

Price regulations will be also eased, it said.

The prices of all manufactured products and services supplied by market-dominating business concerns will be allowed to rise and fall freely in the market, it said.

However, it said, the government will strengthen regulations on environmental protection, industrial safety and health and hygiene.

South Kyongsang Residents Highest-Level Producers

SK2605082193 Seoul THE KOREA HERALD in English 26 May 93 p 8

[Text] A person in South Kyongsang Province produced 6,317,000 won of goods and services on average in 1991, the highest level among the 15 provinces, while per capita production was only 3,766,000 won in South Chungchong Province. But the person in South Kyongsang Province was not necessarily better off than his counterpart in South Chungchong Province because the statistics did not account for transfers. So said the National Statistical Office, which unveiled a survey of the gross regional product (GRP), the total value of goods and services produced in a province, for the first time yesterday.

Excluded from the GRP were the value of goods and services produced in the defense sector and import-related taxes, which the office said were difficult to distribute to each province. The office said it started to work on the GRP in 1983 to provide local governments and economists with information on provincial economies for economic planning and research. The average per capita GRP stood at $6,534. The figure went up to $6,760 when the value created in the defense and other sectors were included.

This should be the same with per capita gross national product (GNP), but the figure was higher than the GNP of $6,566 calculated by the Bank of Korea. "I am confident our figure is more accurate than that of the central bank," said an official of the National Statistical Office. The top three areas—Seoul, Kyonggi and South Kyongsang—accounted for more than half of all the GRP combined while the GRP for Seoul's metropolitan area—Seoul, Inchon and Kyonggi—was more than 45 percent of the total.

Growth in the GRP from 1985 to 1991 was the highest in Kyonggi Province with 228 percent while the GRP rose at the lowest rate of 108.2 percent in Kangwon Province. The provinces with per capita GRP below 4 million won in 1991 were Taegu, North Cholla and South Chungchong.

Residents in Taegu were relatively well off despite the low GRP because many of them received transfers from neighboring North Kyongsang Province where many manufacturing plants were located, said an official of the National Statistical Office. The coefficient of variation, which showed how much per capita GRP varied among the 15 provinces, was 15.7 percent. A coefficient of zero means the same level of per capita GRP throughout the 15 provinces. Another index of the highest provincial GRP divided by the lowest GRP was 1.7 for Korea, 3.2 for Japan, 2 for the United States, 2.5 for Canada and 7.1 for China.

Region	GRP (billion won)	Portion (percent)
Seoul	51,102.4	24.6
Pusan	15,762.0	7.6
Taegu	8,490.4	4.1
Inchon	10,089.9	4.9
Kwangju	4,859.5	2.3
Taejon	5,024.0	2.4
Kyonggi	33,698.7	16.3
Kangwon	6,162.1	3.0
N. Chungchong	6,525.5	3.2
S. Chungchong	7,459.1	3.6

Region	GRP (billion won)	Portion (percent)
N. Cholla	7,712.7	3.7
S. Cholla	10,819.8	3.2
N. Kyongsang	14,594.1	7.0
S. Kyongsang	23,008.7	11.1
Cheju	2,088.2	1.0
TOTAL	207,397.1	100.0

Economy Improves in First Quarter 1993

SK2705054293 Seoul YONHAP in English 0321 GMT 27 May 93

[By Kim Myong-chol]

[Text] Seoul, May 27 (YONHAP)—The South Korean economy did slightly better in the first quarter of this year than in the final quarter of 1992, but it still seems stuck in recession by Korean standards of growth.

The Bank of Korea has reported a tentative 3.3-percent growth of the Gross National Product (GNP) on a year-on-year basis for January-March. The 2.8 percent for the previous three-month period was the lowest in 12 years. Not only is this figure less than half the central bank's optimum growth projection for the economy of 7 percent, the nature of the growth itself is unhealthy, according to analysts. They point to the slowdown in manufacturing and construction, and the decline in investment in equipment and plants.

Construction is sagging due to measures against overheating as a result of the previous administration's plan to build 2 million housing units. The slowing manufacturing industry and the declining capital investment are real problems facing the economy.

In the manufacturing sector, the heavy and chemical industry did well, registering 4.6-percent growth on increased exports of automobiles, steel, semiconductors and petrochemicals against the previous quarter's 1.9 percent. But light industry suffered a fall of 5.4 percent, compared with the 3.7-percent decline recorded for the final quarter of last year. The food industry's 6.1-percent fall and the textile industry's 11.5-percent drop due to decreased domestic demand and their weakened export competitiveness are blamed for the poor record.

The 10.1-percent fall in capital investment recorded for the first quarter was the biggest decline since the final quarter of 1980, when it plummeted 13.1 percent. Noteworthy was that investment in machinery, the focal point of capital investment, fell 14 percent, the largest since 1981 and up 1 percentage point over the previous quarter's 13-percent drop. Moreover, investment for office automation carried weight but investment in new industrial equipment was relatively small, a factor of dim prospects of the economy.

But appreciation of the U.S. and Japanese currencies against the won were a god-send for exports of cars and semiconductors to the U.S. market and exports of steel and petrochemicals to China and Southeast Asian countries. It would have been much better if these export increases had been achieved on technological innovations and productivity improvements, the analysts say.

The service sector grew 5.4 percent, compared with the previous quarter's 5 percent and a year earlier's 8.5 percent. Brisk stock and bond markets helped the banking and insurance industry record 16-percent growth. Transportation, warehousing and communications together achieved 7.9-percent growth.

Family consumption growth rate rose from 5.3 percent in the fourth quarter of last year to 5.5 percent, just 2 percentage points more than the GNP growth rate. This indicates that people were still on the buying binge that began sweeping the country in 1990. Up to 1988, the rate had been lower than the GNP growth rate.

Optimists say that because the economy had bottomed out in the final quarter of last year, pointing to the higher growth rate in the first quarter of this year, it will rapidly recover when the new government's 100-day stimulus package begins to show visible effects. They base the optimism on increasing exports and the signs of increasing machinery imports and construction business recovery. Building permits issued in the first quarter increased 19.4 percent on a year-on-year basis for housing and 124.9 percent for commercial buildings.

The Bank of Korea is also optimistic, projecting GNP growth at 6 percent for this year against last year's achievement of 4.7 percent.

It seems that both optimists and pessimists agree that the government should take measures to encourage businesses to increase capital investment for productivity increases in order to build what President Kim Yong-sam calls the new economy by getting business to cross the threshold of recession.

Burma

Finance Minister Leaves for Germany, Singapore

BK2505163093 Rangoon Radio Burma in Burmese 1330 GMT 25 May 93

[Text] Brigadier General Win Tin, minister of finance and revenue, left by Myanmar [Burma] Airways this morning for the Federal Republic of Germany [name as heard] and Singapore to study and discuss banking matters.

The minister was seen off at Mingaladon airport by Lieutenant General Chit Swe, member of the State Law and Order Restoration Council [SLORC] and minister of forestry affairs; U Than Shwe, minister of industry-2; departmental heads from the ministry of finance and revenue; responsible personnel, and family members.

The minister was accompanied by Lieutenant Colonel Kyaw Tun and the minister's personal officer U Khin Maung Aye.

Border Delegation Leaves for Meeting in PRC

BK2705070793 Rangoon Radio Burma in Burmese 1330 GMT 26 May 93

[Text] A five-member Myanmar [Burmese] delegation led by U Tin Myint, director general of the Survey Department of the Ministry of Forests and U Mya Maung, director of the same department, left by air this afternoon for the PRC to carry out the second session of the Myanmar-China joint boundary inspection work.

The delegation will attend the first meeting of the leaders of the joint boundary committee and the meeting of survey and mapping experts of the two countries in Kunming in the PRC from 27 May to 3 June.

The Myanmar delegation was seen off at the airport by officials from the Ministry of Foreign Affairs, the Ministry of Defense, the Department of Land Survey, and the PRC embassy in Yangon [Rangoon].

Correction to SLORC Official on Gradual Reforms

BK2705030893

The following correction pertains to the item headlined "SLORC Official: Gradual Reforms", published in the 26 May East Asia DAILY REPORT, page 31.

Column one, paragraph three, from first sentence make read: ...obvious that bureaucratic machinery is an impediment to and cannot guarantee development of true democracy and the development of the country that we all are aiming for. Therefore, while restructuring the administrative mechanism for a multiparty democratic system it is especially important not to resurrect the bureaucratic machinery. In a multiparty democratic system, the public servants will play a.... (rewording for clarity per recheck)

Brunei, Malaysia & Singapore

Malaysia

Deputy Premier in Finland; Details French Visit

BK2705071293 Kuala Lumpur BERNAMA in English 0314 GMT 27 May 93

[Text] Helsinki, May 27 (OANA—BERNAMA)—Deputy Prime Minister Ghafar Baba said his visit to France has opened a new era in trade relations between that country and Malaysia.

French industrialists' interest in investment opportunities in Malaysia was amply demonstrated by their good turnout at the business dinner organised jointly by the Malaysian Embassy and the French Chamber of Commerce in Paris on Monday, he said.

I notice a change they are now more interested in investing in the East, particularly in Malaysia, he told reporters on arrival here from Paris at the head of an 18-member delegation for a three-day official visit to Finland.

France was Malaysia's fourth leading trading partner among countries of the European Community with total trade amounting to two billion ringgit last year.

Ghafar said his visit had also provided more opportunities for Malaysia Airlines to mount additional flights to Paris.

He said French Minister of Works, Transport, and Tourism Bernard Bosson had agreed that a second round of talks be held between Malaysian and French officials on the matter as soon as possible.

Currently Malaysia airlines operates twice weekly flights to France on Tuesdays and Fridays and we have asked for an additional flight and I believe they will agree, he said.

Ghafar said the French Government had also pledged to consider Malaysia's request that Malaysian citizens be allowed to visit France without a visa.

France and Malaysia agreed to abolish visa requirements for each other's citizens in 1961 but France reimposed the visa requirements for Malaysians in 1986 on grounds of security.

French nationals visiting Malaysia for a period of less than a month need not have a visa.

Ghafar also said that in talks with French President Francois Mitterrand, he had requested France to help resolve speedily the conflict in Bosnia-Herzegovina.

I informed President Mitterrand that Malaysia was ready to send troops to Bosnia at anytime if it is asked to do so by the United Nations, Ghafar said.

He said he had also invited President Mitterrand to visit Malaysia after attending the G-7 summit in Tokyo in July.

Irish Premier Arrives for Talks 27 May

BK2705074493 Kuala Lumpur Voice of Malaysia in English 0600 GMT 27 May 93

[Text] The prime minister of Ireland Albert Reynolds has arrived in Kuala Lumpur for a four-day official visit. The visit is to reciprocate the visit by Prime Minister Datuk Sri Dr. Mahathir Mohamed to Ireland last October. Mr. Reynolds was met on arrival at the Kuala Lumpur International Airport by the minister of foreign affairs, Datuk Abdullah Ahmad Badawi. An official welcome ceremony was later held at Parliament Square. On hand to greet the visitors was the prime minister, Datuk Sri Dr. Mahathir Mohamed.

Despite the long flight from Dublin, Mr. Reynolds almost immediately got down to official business. This afternoon, he will be granted an audience by his majesty the king before holding talks with Datuk Sri Dr. Mahathir. The prime minister will also hold an official dinner for Mr. Reynolds tonight. Tomorrow, the Irish delegation will attend a briefing at the Economic Planning Unit in the Prime Minister' Department, visit MARA [Council of Trust for the Indigenous People], the National Heart Institute, as well as hold dialogues with members of the National Chamber of Commerce and Industry. On Saturday, Mr. Reynolds will attend a briefing at the Ministry of Transport before leaving for Penang for an overnight visit. The Irish prime minister is accompanied by an 18-member official delegation, including his son and daughter as well as his minister of trade and tourism. A 31-member trade and business delegation is also accompanying the Irish delegation.

Sabah Reminded Not To 'Politicize' Timber Issue

BK2605133093 Kuala Lumpur Radio Malaysia Network in English 1300 GMT 26 May 93

[Text] Primary Industries Minister Datuk Sri Dr. Lim Keng Yaik has reminded the Sabah government not to politicize the issue of timber exports from the state. He said he had learned that the Parti Bersatu Sabah [Sabah United Party], PBS, government had applied pressure on timber operators in the state regarding the matter. He said the federal government had lifted the ban on timber exporting rule by the state government to safeguard the interests of the industry and the name of the country as a reliable supplier. He was speaking to reporters in Kuala Lumpur.

MAS Authorized To Issue Visas to PRC Visitors

BK2605134893 Kuala Lumpur Radio Malaysia Network in English 1300 GMT 26 May 93

[Excerpt] Malaysia Airlines, MAS, offices in Guangzhou and Xiamen can issue visas to Chinese nationals who want to visit Malaysia. Transport Minister Datuk Sri Dr. Ling Liong Sik says the cabinet decided on the arrangement at its meeting today, thus alleviating the need for potential visitors to travel all the way to the Malaysian Embassy in Beijing to obtain visas. With this arrangement, it is hoped that more Chinese citizens will visit Malaysia, bringing more income to this country. [passage omitted]

Petronas Picks Conoco in Oil Refinery Deal

BK2205102893 Kuala Lumpur NEW STRAITS TIMES in English 18 May 93 p 14

[By Sabri Said]

[Text] Petronas [National Petroleum Corporation] has picked Conocol Inc of the United States as its new partner for its multi-billion ringgit sour crude oil refinery (PSR-2) project in Malacca following the withdrawal of all the original partners.

The original partners were Caltex Trading and Transport Corp (CTTC), Chinese Petroleum Corp (CPC) of Taiwan, Idemitsu Kosan Co Ltd of Japan and Samsung Co Ltd of South Korea.

The withdrawals of the earlier partners have to an extent delayed the project which was supposed to come onstream by mid-1996, but with the entry of Conoco, Petronas president Tan Sri Azizul Zainul Abidin was optimistic that the project will be operational by 1997.

"We are still within schedule", he said yesterday. "That is the window we are trying to catch," he added, refering to the year 1997 from which he expects demand for sour crude oil to grow substantially.

Petronas and Conoco yesterday signed a letter of intent (LOI) in Kuala Lumpur to work together on the design and setting up of a joint venture company to undertake the development of the PSR-2 project.

PSR-2 is part of Petronas' RM7 billion [Malaysian ringgit] integrated refinery complex in Tangga Batu, Malacca where PSR-1, a sweet crude oil refinery is currently under construction. PSR-1 is wholly owned by Petronas and is expected to come onstream by the end of next year.

Speaking after the signing ceremony, Azizan expressed confidence that the whole project would be kept within the projected cost of RM7 billion.

PSR-2 was earlier estimated to cost RM3.3 billion but this has been revised to RM5 billion following spiralling cost.

Azizan said the main tasks to be pursued under the LOI would be the basic engineering design, selection of process licensors for stage one and finalisation of shareholders' agreement.

Azizan said PSR-2 with 100,000 barrel per stream day would process imported heavy sour crudes mainly from the Middle East and export 70 percent of its production.

PSR-2's refined products will include liquefied petroleum gas, a range of gasoline including Premium Export Grade, kerosene and Jet A-1. It will also produce asphalt and petroleum cokes.

Singapore

Burma Rejects Pressure To Improve Rights Record

BK2605125193 Hong Kong AFP in English 1229 GMT 26 May 93

[Text] Singapore, May 26 (AFP)—Burma's military junta Wednesday dismissed mounting Western pressure on Rangoon to improve its human rights record, saying the world must first reconcile differences between the East and West on what constitutes good conduct.

Burmese Foreign Minister Brigadier General U Ohn Gyaw said that three preparatory conferences for next month's U.N. Conference on Human Rights in Vienna had come up with a double standard.

"Whether human rights in the East is to be dictated by the West or whether the standard of the East is to prevail, that is to be resolved at the coming June meeting on human rights," he said.

Ohn Gyaw was speaking at a news conference also attended by Burma's Information Minister Myo Thant and its Minister for National Planning and Development, David Abel.

The three ministers are members of a 22-member Burmese delegation led by Lieutenant General Khin Nyunt, first secretary of the Burmese State Law and Order Restoration Council, currently visiting Singapore.

Many Asian governments argue that the Western practice of allowing individual rights to override those of society are impractical, especially if they compromise security and lead to tensions between racial or religious groups.

Asian diplomats say that individual freedoms cannot be allowed if they compromise societal interests and that such freedoms must come after basic needs of food, shelter and clothing are met.

Reacting to U.S. President Bill Clinton's recent call for the release of Burmese dissident leader and 1991 Nobel Peace Prize winner Aung San Suu Kyi, who has been under house arrest for three years, Ohn Gyaw said that she was free leave Burma at any time.

"We have said that she can leave at any time on humanitarian grounds to rejoin her family (in Oxford, England). We have also, on humanitarian grounds, allowed members of Suu Kyi's family to visit her," he said.

Ohn Gyaw said that the high-powered delegation's visit to Singapore, which is the current chairman of the Association of Southeast Asian Nations (ASEAN) standing committee, was not a move by Rangoon to join the 26-year-old regional group.

"This visit is to further enhance bilateral ties. We are traditional trading partners and very close neighbours. Over the years our leaders have had very good relations," he said.

Regional diplomats said that Rangoon was keen to be invited as a guest to the annual meeting of the ASEAN foreign ministers here in July but that any such move was likely to be vetoed by Indonesia and Malaysia.

The ASEAN groups Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand.

A senior Burmese official in the delegation denied soliciting an invitation.

"ASEAN will have to make the move after saying that the group should eventually include all 10 Southeast Asian countries," he said.

Southeast Asian countries which do not have membership in ASEAN are Vietnam, Laos, Cambodia and Burma.

Vietnam and Laos last year, however, signed the ASEAN Treaty of Amity and Cooperation, taking the first step towards joining the regional group.

Burmese Minister on SLORC Role, ASEAN, Drugs

BK2705103393 Singapore BUSINESS TIMES in English 27 May 93 p 2

[Text] Singapore—Myanmar [Burma] is hoping to enhance its ties with Singapore, the visiting Minister for Foreign Affairs U Ohn Gyaw said here yesterday.

This was the object of the four-day visit by a high-level ministerial delegation from the country's ruling State Law and Order Restoration Council (SLORC), he told journalists.

"Elder leaders of past decades had very good relations with leaders in Singapore," he said. "Now in both countries we have a new line of leaders. This (visit) is the further enhancement of existing relations."

Brigadier-General David Abel, Minister for National Planning and Economic Development, part of the visiting team, added that Singapore was Myanmar's largest trading partner.

Singapore companies had eight "major" investments and 13 joint ventures in Myanmar. He said 29 Singapore

companies had been incorporated in Myanmar and a further nine had branch offices there.

Asked if Myanmar was interested in joining ASEAN, the director-general of the country's Ministry of Foreign Affairs, U Aye, said: "It is a two-way thing. The ASEAN countries would have to get the consensus, make the move and ask us."

On the framing of a new Constitution for Myanmar by the National Convention, Minister of Information Myo Thant said the convention would resume on June 7.

Foreign Minister U Ohn Gyaw added that, given Myanmar's situation and history "the meaningful participation of the armed forces is required".

"The form of the participation would be decided by the National Convention. But the present government has stated many times that it doesn't intend to hold on to power indefinitely," he said.

Also discussed was the issue of drugs. BG Abel said the world community was doing nothing to help Myanmar fight drug production.

"The government of Myanmar has always adhered to its obligations to the entire world community where drugs are concerned. But we would also like the community to take their obligations seriously."

He added that there had been a lot of promises, but nothing had been done. BG Abel said assistance could take the form of infrastructure improvement, crop substitution and poverty alleviation programmes in drug-producing areas.

Australia To Offer Air Force New Training Site

BK2605121993 Singapore THE STRAITS TIMES in English 26 May 93 p 2

[By Dominic Nathan]

[Text] Australia plans to offer the use of new army training facilities being developed in its Northern Territory to the Singapore Armed Forces [SAF].

The visiting Australian Chief of Defence Force (CDF), Admiral Alan Beaumont, disclosed that the facilities would be fully operational in five years' time. Their plans will take the SAF's training needs into consideration, he said.

SAF armour troops now conduct their Wallaby series of exercises in the Shoalwater Bay area of Queensland which is further to the east.

Adm. Beaumont said it would be more convenient and cheaper for the Republic to conduct exercises in the Northern Territory training area because it is closer to Singapore.

Exercises in Shoalwater Bay would have to be scaled down in the meantime, he said, because of environmental concerns arising from commercial sand-mining activities there.

As a result, military training and other activities in the area are being scaled down while environmental impact assessments are carried out he explained.

The Admiral was here for two days at the invitation of his Singapore counterpart Major-General Ng Jui Ping. It was Adm. Beaumont's first official visit here since becoming CDF in April.

He called on Prime Minister Goh Chok Tong and Defence Minister Yeo Ning Hong yesterday before leaving Singapore later in the day.

A Singapore Ministry of Defence statement said that Adm. Beaumont's visit reflects the warm and close ties between the two armed forces.

Two recent tie-ups reinforcing these ties were the signing of a Memorandum of Understanding to relocate part of the Republic of Singapore Air Force's flying training school to Australia and a defence science and technology co-operation agreement to undertake joint projects in defence science.

Adm Beaumont said that it was mutually beneficial to share resources and training facilities to minimise infrastructure and support costs.

He said Australia also benefited from extending the use of its facilities to Singapore. Apart from the economic spinoffs, such contacts also give its defence personnel more experience and a better understanding of the region through joint training, he added.

Another step in furthering this understanding was the recently concluded maritime exercise hosted by Australia.

It was the region's biggest, involving 11 ships, a submarine, maritime patrol and fighter aircraft, helicopters and about 2,000 personnel from Australia, Malaysia, Thailand, New Zealand and the United Kingdom.

Said Adm. Beaumont: "We are hoping to extend this cooperation to army exercises."

This is part of Australia's intention to seek security with Asia and not from Asia, he added.

Maritime surveillance is another possible area for further co-operation, he suggested.

He added: "There is much scope for maritime surveillance co-operation in our region, perhaps with each country looking after individual areas and reporting activities to its partners. We are doing that to a certain extent already."

If such operations are done jointly, he said, the huge expense of mounting them unilaterally can be minimised.

He said Australia's interest in the region was two-fold: "For purely selfish reasons, the region is seen as the country's frontline and any threat to Australia would have to come through this region."

On another level, Australia is also committed to using its experience, training facilities and modern technology to help its friends and allies in the region.

"We consider the Australian Defence Force a regional asset in some ways," he pointed out.

Cambodia

Sihanouk Against Joining ASEAN Before Vietnam

BK2705050293 Hong Kong AFP in English 0431 GMT 27 May 93

[Text] Phnom Penh, May 27 (AFP)—Cambodia should not compromise its neutrality by joining the Association of Southeast Asia Nations (ASEAN) before Vietnam does, Prince Norodom Sihanouk said in a statement released here Thursday. Prince Sihanouk said Cambodia should remain "equidistant" between ASEAN, a non-communist bloc, and the communist-ruled Indochinese states of Vietnam and Laos.

Vietnam and Laos are campaigning actively for membership in ASEAN, which groups Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand.

Japanese Election Monitors Return to SDF Camp

OW2605123593 Tokyo KYODO in English 1146 GMT 26 May 93

[Text] Takeo, Cambodia, May 26 KYODO—Most Japanese election monitors assigned to polling stations in nine counties in the southern province of Takeo safely returned Wednesday [26 May] to the Takeo-based headquarters of the Japanese Self-Defense Forces (SDF) engineering contingent with U.N. peacekeeping operations. Among 41 election monitors, 36 people have returned to the SDF headquarters in Takeo half-way through the six-day general election. The remaining five Japanese election monitors are still working with mobile polling teams to remote areas until Friday [28 May]. They are scheduled to return to the Takeo base on Saturday.

"French peacekeepers did not accompany us when we commuted between a polling station and a camp every morning and evening," said Takashi Horimoto, 26, a student of Matsushita School of Government and Business, of Kanagawa Prefecture, who had been dispatched to Tram Kok County, which has been designated a dangerous zone. "Although eventually there was no accident, I felt our duty as quite dangerous."

However, he added, "if this poll turns out a first step toward the development of Cambodia, I will realize that I could take part in such significant job."

Regarding the SDF peacekeepers' patrol on Japanese election monitors, election monitor Mitsuhiro Morita, 32, a sporting goods shop owner in Tokyo, said, "the Japanese Government should not concentrate on protecting Japanese only. The government should also do whatever will be good for Cambodian people."

Banteay Meanchey Muslims Vote for FUNCINPEC

BK2705031593 Bangkok BANGKOK POST in English 27 May 93 p 7

[Text] Banteay Meanchey—The Muslim community in this province is voting for the royalist FUNCINPEC [National United Front for a Peaceful, Independent, Neutral and Cooperative Cambodia] because the party is seen as the one that can bring peace to Cambodia, community leader Itdeh Benharuni said yesterday.

Mr Itdeh told the Bangkok Post there are about 1,860 Muslims in this province and they have all voted.

He said there are about 150,000 Muslims in Cambodia, of whom he believed about 80 per cent would vote for FUNCINPEC.

He expressed confidence that FUNCINPEC's policies would bring peace to the country because he saw the party as the one that was in a position to draw the Khmer Rouge into a new round of talks.

A mobile election unit of the United Nations Transitional Authority in Cambodia (UNTAC) arrived yesterday and served some 2,000 voters at a village located about 15 kilometres west of Sisophon.

Escorted by UN peacekeepers, the mobile unit that served Sala Krahom, bordering Cambodia's Highway 5, consisted of four trucks which acted as polling booths.

Bunkers, artillery pieces and heavy machineguns were positioned around the unit. An ambulance was on standby.

Meanwhile, a senior officer of the Cambodian People's Armed Forces (CPAF) said Phnom Penh had called a 100 per cent alert, with soldiers ordered into strategic areas to prepare for action.

Unusual movements of tanks, armoured cars and trucks carrying multiple-rocket launchers were reported along Highway 5, reinforcing speculation that the use of force might be applied after the election results are announced in early June.

The Burapha Command, however, reported "all quiet" on the Thai-Cambodian border yesterday, with no reports of fighting or shelling.

VGNUFC Claims UN Soldiers Vote for 'Puppets'

BK2705071593 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 26 May 93

[Text] According to the people in Kampot Province, on 24 May—the second day of the elections organized by UNTAC [UN Transitional Authority in Cambodia], two UNTAC French soldiers voted for the Vietnamese puppets.

According to reliable sources, on the morning of 24 May, since no Cambodian went to the polls, each of these two French soldiers grabbed a large bunch of the ballots and quickly went inside the polling booth to cast votes for the traitorous puppets—Vietnamese lackeys.

This event coincided with the story known to all that the policy of French President Mitterrand and France's Socialist Party is to vote for the Vietnamese puppets, through which Vietnamese aggressors can continue (?their occupation of Cambodia and) forcibly incorporate the other parties into (?the Vietnamese puppet party).

This is known to all, but UNTAC chief Akashi and UNTAC spokesman Eric Falt said nothing about it. Such an issue cannot be concealed because in Kampot, Takeo, Prey Veng, Svay Rieng, Kompong Cham, Ratanakiri, Mondolkiri, and so forth are outlying remote areas where UNTAC's French, Bulgarian, and Indian personnel are stationed, thus they can do anything at will. These men sleep with Vietnamese women every day.

Alleges UNTAC Ballot Tampering

BK2705092993 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 26 May 93

[Text] According to the people's sources in various provinces, ballot boxes though directly protected by UNTAC [UN Transitional Authority in Cambodia], were forced open on all three days of the elections.

The sources said there were ballot boxes with broken padlocks in the following areas: 20 in Kampot, six in Oddar Meanchey, and 19 in Phnom Penh. There are also many other such boxes in other areas.

The sources added that the two leading burglars who broke open these boxes are Vietnamese puppets and UNTAC. The Vietnamese puppets joined hands with a number of UNTAC personnel, particularly those from France, India, and Bulgaria, to break open these boxes to put in pre-arranged ballots to enable the Vietnamese puppets to win the elections. This is in line with their insidious policy to kill the Cambodian nation, people, and race.

Therefore, this UNTAC-organized election has been just a children's game since the start. The bad elements are the ones counting the ballots and determining the winner and losers. This is the election UNTAC Chief Akashi has continually claimed to be free, correct, and fair.

Calls Elections UNTAC's 'Last Card'

BK2705043393 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 26 May 93

["News Analysis": "The Ongoing Elections in Cambodia are UNTAC's Last Card To Shirk Its Responsibility, Leaving the Cambodian Problem Unsettled, the Yuon Everywhere in the Country, the War Further Inflamed, and the Cambodian Peace and Independence Out of Reach"]

[Text] I. Assessment of the elections held by UNTAC [UN Transitional Authority in Cambodia] on the first, second, and third days, that is on 23, 24, and 25 May:

A. During the three days of the UNTAC-organized balloting, [words indistinct].

B. According to general observers, on the first day of the polls, that is on 23 May, there was higher voter turn-out than in the second and third day because:

1. (?The people, especially those in Phnom Penh, wanted to hastily vote).

2. The polls are a farce [words indistinct].

3. As 23 May is the first day of the polls, UNTAC, Akashi, and the alliances painstakingly made the balloting look bursting, especially in Phnom Penh, for television broadcast and news report around the world. Besides, on that day the Yuon [pejorative term for Vietnamese] puppets and the Yuon also forced the people to go and vote for them [words indistinct]. The Yuon puppets and the Yuon themselves were playing their last card.

However, according to general observers, the voter turn-out in Phnom Penh during the last three days was as follows:

a. In Phnom Penh, there were not more than 200,000 turning out to vote on the first day, not more than 30,000 on the second day, and not more than 20,000 on the third day. In sum, the number of people casting their ballots in Phnom Penh during the first three days was not more than 250,000.

b. In provinces, such as in Siem Reap, Kompong Thom, Preah Vihear, Oddar Meanchey, Kampot, and Takeo Provinces, some 90 percent of voters could not be able to cast their ballots. And most people in Pursat, Kompong Chhnang, Kompong Cham, Kratie, and Stung Treng Provinces could not vote. So the turn-out of the voters throughout the country on the first day was not more than 600,000, on the second day not more than 300,000, and on the third day not more than 100,000. In sum, the voter turn-out in various provinces across the country during the first three days of elections was not more than 1 million. And throughout the country, the total number of the people voting on the first three days was not more than 1.15 million.

The number of voters provided by observers is one-third the number announced by UNTAC and Akashi. On one occasion, UNTAC and Akashi deceivingly proclaimed that there were more than 3 million people taking part in the polls in the first three days, and on the other, they said 4 million people were participating.

This is what UNTAC calls the voting at polling stations in schools and monasteries and the completion of the first stage of the UNTAC-organized elections.

As for the second stage, UNTAC refers to mobile polling stations arranged for those who have not yet casted their ballots and those who are living in remote areas. Somehow, the mobile polling stations are:

i. To show that UNTAC has strived to organize the polls democratically, freely, and so on.

ii. To show that UNTAC dares (?go to remote areas) [passage indistinct]

iii. In fact, there were no people wanting to vote because they have been well aware that the Yuon and their puppets have systematically massacred and stripped the Cambodian people and for 13 or 14 years. Moreover, for nearly two years the people have known UNTAC's truly spiteful nature and its intention of destroying the Cambodian nation and people. In the countryside, they could not forcibly marshall the people to vote as in cities where military and police forces were ordered to protect polling sites and muster the people. The rural people [words indistinct] do not want to vote to decimate the Cambodian nation and people. Therefore, the results of the UNTAC-organized elections in rural areas are naught. Now, the general public is waiting to see how many more million voters will Akashi and Eric Falt [UNTAC spokesman] announce in their deceiving statements.

This is an unscrupulous propaganda that Akashi and UNTAC are conducting in order to wash their ugly faces.

Although the observers are of the opinion that the voter turn-out was much lower in the second and third days, Akashi and Eric Falt always claimed in their propaganda that there were a lot of voters turned out on those days.

II. Can UNTAC's elections settle the Cambodian problem?

A. The misleading statements [words indistinct] only Akashi and Eric Falt.

B. Every aspect of the Cambodian problem (?remains unresolved). [Passage indistinct]. In reality, old and new Yuon are everywhere across Cambodia; the Yuon puppets remain the master in Cambodia; the Supreme National Council [SNC] has no role to play; and Prince Norodom Sihanouk, head of state and SNC chairman, has nothing as rights, power, or role. As such, how can the issue of the old and new Yuon be solved?

This is a major and vital issue for the Cambodian nation and people. It is also linked with the regional problem.

C. The issue of the old and new Yuon has scores of different aspects. In other words, this issue has the military aspect with the presence of military and police forces and the economic aspect with the Yuon's misappropriation of Cambodia's terrestrial and maritime territory, fish, oil, and other resources. UNTAC Chief Akashi has protected and legitimized the Yuon presence and misappropriation.

The issue of the old and new Yuon constitutes also a social problem for Cambodia. The Yuon in Cambodia now number nearly 4 million. (?Tomorrow), they will pump in 500,000 and the day after tomorrow, they will send in another 500,000, and so on. So the number of the Yuon nationals in Cambodia will go up to 5, 6, 7, 8, 9, or 10 million. This is because UNTAC Chief Akashi has allowed the Yuon to legitimately enjoy all kinds of rights in Cambodia and because the UNTAC-organized polls are aimd at legalizing their presence.

So what will the Cambodian society become? Anyone dares say that the Yuon are in Cambodia, Akashi, UNTAC, and [word indistinct] immediately and clamorously raised the issues of human rights and humanity to protect the Yuon presence. However, they never dare take a single Yuon to their country.

Cambodians, except for the traitors and those selling the nation to the Yuon, clearly understand this issue. The issue of the old and new Yuon also constitutes a national security problem because the Yuon as armed soldiers and policemen and as the well-organized armed members of the Yuon Communist Party, Yuon Youth Alliance, Yuon Workers Union, Yuon Women's Association, and Yuon Farmers Association are everywhere across in Cambodia. At present, as the issue of Cambodia's security is posed, does anyone dare utter a single word about the presence of the Yuon in Phnom Penh; at Tonle Sap River, Tonle Basak Kraom River, and Tonle Mekong Kraom river; and in eastern Kandal, eastern Takeo, eastern Kampot, eastern Prey Veng, Svay Rieng, eastern Kratie, Stung Treng, eastern Ratanakiri, and eastern Mondolkiri Provinces?

What is called the issue of the old and new Yuon is the problem of the Yuon forging a bipartite agreement with the puppets at will, drawing a new map to misappropriate the Cambodian territory in the east from Kampot up to Ratanakiri Provinces [words indistinct]. What is the size of the Cambodian territory taken by the Yuon? And who will solve this problem?

What is called the issue of the old and new Yuon is the problem concerning Cambodian national culture and traditions. The millions of Yuon in Cambodia have exerted economic domination and military and police pressure over Cambodia and have also affected the security of the Cambodian nation and society. [passage indistinct] This is what is known as the Vietnamization of Cambodia in all sectors. Cambodia will rapidly disappear because of the 70 million Yuon population and because the Yuon will send 10 million Yuon citizens who

are AIDS carriers to Cambodia in a short period of time. In Laos, there are 50,000 Yuon forces, 3 or 4 million Yuon nationals, and 20,000 Yuon officials controlling the Lao administrative network from top to bottom. Should the Yuon in Cambodia number 10 million and the Yuon in Laos 3 or 4 million, the Yuon will be able to speedily Vietnamize the two countries in all fields, and nobody will care.

The policies of French President Mitterrand, the French Socialist Party, and some governments in the world focus only on the trade issue with the Yuon. They never care about whether Cambodia will become another Yuon province. What they want to do is to make business with the Yuon. Therefore, neither UNTAC, Akashi, nor the alliances will solve the problem of Cambodia's destiny. The Cambodian nation and people should only rely on the national forces and the people and should join forces with the peace-and justice-loving people and countries the world over to settle the problem of the Yuon invasion of Cambodia.

By all appearances, in the current Cambodian history, the Cambodian nation and people and the Cambodian national resistance forces are of the view that only by implementing the national reconciliation plan presented by Prince Norodom Sihanouk, head of state and SNC chairman, in his 1 March 1993 statement can Cambodia recover genuine peace and achieve national reconciliation. In other words:

1. A provisional four-party government of national reconciliation with the prince as head of state and prime minister should be set up;

2. The representatives of the four Cambodian parties to take part in the government should be appointed deputy prime minister; and

3. A united national army to include the armies of the four Cambodian parties and to be placed under the prince's command should be created.

Only by doing so can the Cambodian problem generated by the Yuon invasion be settled.

Japanese Forces To Start Port Renovation

OW2705054293 Tokyo KYODO in English 0507 GMT 27 May 93

[Text] Tako, Cambodia, May 27 KYODO—Japanese Self-Defense Forces (SDF) peacekeepers in Cambodia will start work in mid-June to renovate the port of Sihanoukville in the south of the war-torn country, a Japanese military official said Thursday [27 May]. A 10-member advance team will be sent to prepare for the renovation work in Sihanoukville, an important port handling all materials needed by the United Nations Transitional Authority in Cambodia (UNTAC), according to the official stationed in Takeo.

Some 600 SDF troops are in Takeo and Kampot to help rebuild roads and bridges destroyed during nearly 13 years of civil war. Of these, a total of 150 will be sent to Sihanoukville, the official said.

The head of the UNTAC engineering corps has asked the SDF several times to do renovation work at the port as part of preparations for future UNTAC withdrawal from Cambodia, the official said. In Tokyo, however, officials of the government's international peacekeeping cooperation headquarters said that they have not been informed of the port renovation work by SDF troops.

Indonesia

Feisal Tanjung Named Armed Forces Commander

BK2105074993 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 21 May 93

[Text] President Suharto installed General Feisal Tanjung as new commander of ABRI [Indonesian Armed Forces] at Jakarta's State Palace this morning. The appointment is based on presidential decree no. 199/1993, which also specifies that Gen. Feisal has the same rank as a state minister. Gen. Feisal was earlier chief of the ABRI General Staff. Coordinating Minister for Political and Security Affairs Susilo Sudarman and Defense and Security Affairs Minister Edi Sudrajat were present as witnesses during this morning's ceremony.

This morning's installation ceremony was also attended by Mrs. Suharto, the vice president and Mrs. Try Sutrisno, as well as ministers of the sixth Development Cabinet. The ceremony to transfer the post of ABRI commander from Gen. Edi Sudrajat to Gen. Feisal Tanjung will be held at the ABRI headquarters in Cilangkap, Jakarta, tomorrow.

Receives Australian Admiral

BK2605154793 Jakarta Radio Republik Indonesia Network in Indonesian 1500 GMT 26 May 93

[Text] Indonesian Armed Forces [ABRI] Commander General Feisal Tanjung received a courtesy call from the Australian Chief of Defense Forces, Admiral Alan Beaumont, at the ABRI headquarters in Cilangkap, Jakarta this morning. Upon his arrival, Adm. Beaumont was accorded a military ceremonial welcome. Accompanied by the ABRI commander, he inspected the guard of honor.

Gen. Feisal Tanjung told his guest that his visit to the country is very beneficial in promoting ties between the Armed Forces of Indonesia and Australia. Meanwhile, Adm. Beaumont expressed the hope that good relations between the two countries will continue to be developed.

PRC Delegation Arrives To Study Investment

BK2205081093 Jakarta ANTARA in English 0606 GMT 22 May 93

[By Ramdani Sirait]

[Text] Jakarta, May 22 (OANA/ANTARA)—Amidst the rumors that Indonesian investment climate is no longer attractive, especially to foreign businessmen, two large PRC state-owned companies recently decided to get involved in some development projects here.

The two companies are Sinopec, a petrochemical products factory which intends to carry out large-scale investments in the sectors of oil/gas and urea fertilizer and China Resources which is very interested in the country's downstream industries. This obviously raised the eyebrows of those believing that Indonesia could no longer offer bright prospects to foreign investors.

Industries Minister Tungky Ariwibowo said the arrival of the business mission from the PRC should not be seen with suspicion.

"It is normal that as business companies they turn their eyes to other regions considered potential for foreign investments," he said in an apparent effort to dismiss rumors about the country's unhealthy investment climate.

However, vice president director of China Resources, Zou Yaulan, said that he came to Indonesia at the invitation of the government. He was quick to add, however, that even without the invitation he would still be interested to come to this fourth most populous country in the world. Zou also said that he could not reveal the details of the investment projects he was interested in. "This is my first visit and I still have a lot to learn," he said.

His statements, observers said, showed that he did not know much about Indonesia and he was here mainly because he was invited. Others said that there was nothing wrong with Zou being invited to come because Chinese investments in the country were still relatively small.

Data from the Investment Coordinating Board (BKPM) showed that until the end of last year the PRC had a total investment of only 41.5 million U.S. dollars in Indonesia. The figure constituted a mere 0.1 percent of all foreign investments here and placed the PRC in the 28th spot in a list of 42 foreign countries with business capital in Indonesia.

Commenting on the limited Chinese investment here, Sugiyono Kadarisman of the BKPM said it was mainly caused by the 23 years freeze of diplomatic relations between Indonesia and the PRC. The two countries only normalized their ties in 1990, he said adding that after the resumption everything, including business relations would run differently.

Zou shared his opinion and said that his country would expand its business activities not only to Indonesia abut also to other parts of the world.

"But, Indonesia is particularly interesting because of its rich natural resources and abundant workforce," he said. Meanwhile, it has been reported that Sinopec is ready with Rp. [rupiah] 4 trillion investment, a convincing figure indeed that the company means real business here.

Observers with their usual critical view said that just because two PRC state-owned companies were ready to get involved in large development projects, investment climate could not be termed to be healthy again.

Minister for Investment Promotion/Head of BKPM Sanyoto Sastrowardoyo did not dismiss the view as baseless as he reiterated his determination to simplify the procedure to issue a business license.

"Many business activities have been hampered by the long and winding procedure to get a license," he said, adding that 13 ministries or institutions of ministry rank had finished the discussion about the procedure simplication.

He confirmed reports that the two Chinese state-owned companies were invited to send their representatives to Indonesia, saying that it was to show the world that Indonesia still had "a lot to offer in terms of foreign investments."

He further said: "The important thing is that we are really serious in our efforts to make our investment climate healthy. That is why we also offer tax holidays to those interested in the development projects in Eastern Indonesia."

It is expected that when various incentives and simple procedure as described by Sanyoto have been extended, businessmen will come to Indonesia because they see bright prospects here, not because they have been invited.

Minister Reports 1992-93 Budget Surplus

BK2605084693 Jakarta THE INDONESIA TIMES in English 19 May 93 p 3

[Excerpt] Jakarta—In fiscal 1992/1993, Indonesia's balance of payments were estimated to have a surplus of 1.4 billion U.S. dollars or 2.8 trillion rupiahs, while the excess budget remainder amounted to 2.2 billion rupiahs, Finance Minister Mar'ie Muhammad has said.

Explaining the addition and alteration of the 1992/1993 state Budget (APBN) and the assessment of the 1990/1991 State Budget (PAN) at a House plenum presided over by Deputy House Speaker Suryadi here on Monday, the minister said further that the payments of interests and debts were estimated at 15.2 trillion rupiahs, 4.3 percent lower than budgeted.

He said the 1992/1993 inflation rate reached 10.03 percent as the result of the increase in the prices of fuel oil, electricity rates, and transportation fares since January 1993, the 'Id-al Fitr post-fasting festivities, and the floods in several places in the country.

In fiscal 1992/1993, he added, oil and non-oil exports totalled 34.6 billion U.S. dollars (69.2 trillion rupiahs), 17 percent higher than in the previous fiscal year.

In the meantime, foreign exchange expenditures on imports and services have been well under control and amounted to 37.8 billion dollars (75.6 trillion rupiahs) so that the current account deficit could be kept down at 3.2 billion U.S. dollars (6.4 trillion rupiahs), 25 percent lower than in the previous fiscal year.

Furthermore, the net capital inflow from the government and private sectors in addition to the balance that has not been accounted for, which in fiscal 1992/1993 was estimated at 4.6 billion dollars (9.2 trillion rupiahs). [sentence as published] [passage omitted]

Deficit Continues in Trade With Saudi Arabia

BK2705080693 Jakarta ANTARA in English 0730 GMT 27 May 93

[Text] Jakarta, May 27 (OANA/ANTARA)—Indonesia still suffers trade deficit with Saudi Arabia, while its market share in that country is only 1.9 percent, Trade Department spokesperson Lily Rosyana said here Wednesday. In order to balance the trade volume between the two countries, Indonesian entrepreneurs must be aggressive in entering the Saudi Arabian market, Rosyana told reporters. Indonesian businessmen must also increase the competitive edge of their products and dispatch their goods on time as competition to win the Saudi Arabian market is stiff, according to Rosyana.

Saudi Arabia is the main market in the Middle East which provides opportunities for Indonesia to increase its exports, she said. She said that even though Indonesia still suffers trade deficit with Saudi Arabia, Indonesia is the biggest exporter among the ASEAN nations to that country. ASEAN is a regional association grouping Indonesia, Singapore, Malaysia, Thailand, the Philippines, and Brunei Darussalam.

The Indonesian exports to Saudi Arabia, which in 1991 stood at U.S. $458 million, increased to U.S. $583 million in the following year, or about 1.9 percent of the total imports of Saudi Arabia which accounted for U.S. $30 billion. Indonesia's imports from Saudi Arabia, which in 1991 totalled U.S. $837.3 million, rose to U.S. $852.3 million in the following year.

Of the ASEAN countries, Thailand is the main competitor of Indonesia in winning the Middle East markets, she said, but added that Thailand's market share in Saudi Arabia during the 1989-1991 period dropped from 1.39 percent to 1.09 percent.

Indonesia's main commodities to Saudi Arabia include plywood, textiles, and textile products, car tires, paper, glass wares, and electricity appliances. There are about 60 kinds of Indonesian commodities entering the Saudi Arabian market. Its imports from that country include oil (78 percent), petrochemicals, and wheat, she said.

Jakarta, Kuala Lumpur Discuss Disputed Island

BK2405100493 Kuala Lumpur BERNAMA in English 0901 GMT 24 May 93

[By Haris Syamaun]

[Text] Jakarta, May 24 (OANA-BERNAMA)—Indonesian Defence Minister General Edi Sudrajat said Monday there was no problem between Indonesia and Malaysia over development of Sipadan Island as the two countries had been endeavouring for an amicable solution of the matter.

Answering reporters' questions after he and newly installed Chief of the Armed Forces [of the Republic of Indonesia] (ABRI) General Feisal Tanjung met President Suharto at the Merdeka Palace, the minister called on all sides to refrain from making the Sipadan case an issue of conflict between the two close neighbouring countries.

There is no problem over Sipadan Island between Malaysia and Indonesia, he said.

Gen. Edi said the development of tourism facilities on the island, off east Kalimantan, by Malaysian private investors was not an issue of conflict because it had been going on for quite a long time.

He expressed confidence that the two countries would find an amicable solution to the Sipadan case without harming the good relations between them.

The Malaysia-Indonesia Joint Commission had been put in charge of handling the Sipadan case, according to officials.

A large Indonesian youth organisation, KNPI, last week protested against Malaysian development of tourism facilities on Sipadan Island.

KNPI Chairman Cahyo Kumolo had expressed regret that Malaysia had allowed private investors to develop the facilities.

Laos

Finance Minister Talks With SRV Counterpart

BK2605131593 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 26 May 93

[Text] This morning, the delegations of the Lao and SRV Ministries of Finance held a consultative meeting in Vientiane. The Lao side was headed by Finance Minister Khamsai Souphanouvong and the Vietnamese side by Finance Minister Ho Te.

During the meeting, the delegations consulted and drew lessons from each other on the renovation situation in each country with the aim of creating revenue sources for the economy, and especially on finance work and mutual assistance between the two ministries in 1993. The two sides also exchanged views on mutual assistance in

finance work dependent on the capability of each side. They pledged to adopt joint measures to resolve the problem of payment between the two countries. They also agreed to define a new way as a basis for creating appropriate conditions for financial and business payments between the two countries.

Labor Minister Visits SRV, Discusses Cooperation

BK2705034393 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 27 May 93

[Text] During a visit to Vietnam, on 25 May a delegation of the Labor and Social Welfare Ministry led by Minister Thongloun Sisoulit held talks with the Vietnamese side. In the talks, the two sides together discussed the possibility of expanding the cooperation between their labor and social welfare services both in the present and in the future.

During the five-day visit to Vietnam, Minister Thongloun Sisoulit will also discuss and exchange views with his Vietnamese counterpart on many issues in the sphere of the labor and social welfare work. They are scheduled to particularly exchange experiences in carrying out the labor management and in the implementation of the social welfare policy in order to contribute to strengthening, promoting, and expanding, with a new quality, the relations of special friendship and all-round cooperation between Laos and Vietnam.

Article Views 'Special' Relations With SRV

BK2405081593 Vientiane Vitthayou Hengsat Radio Network in Lao 1330 GMT 20 May 93

[Unattributed feature: "Special Relations Between Laos and Vietnam Are the Objective Law"]

[Text] Respected listeners, the revolutionary relations between the Lao and Vietnamese peoples are the special relationship forged by our historic and (?nationalistic) ties and special revolutionary affection. They are born of the existence of the two adjoining territories on the Indochinese peninsula, which share the same destiny and fight common enemies. The Lao and Vietnamese peoples have united with and assisted one another in carrying out national liberation struggles against the administrative yokes of colonialists and reactionary feudalists. More special still, it was President Ho Chi Minh, an outstanding fighter of the international communist movement, who introduced Marxism-Leninism into Indochina and combined it with a sense of nationalism. After he established the Indochinese Communist Party in 1930, the struggle movements of the two Indochinese peoples became firmer with each passing day and endured a test of common fighting against the aggression of the colonialists and neocolonialists. The victory won by Vietnam in the August 1945 revolution created favorable conditions for the Lao people to rise up to seize power on 23 August 1945 and to declare independence on 12 October 1945. The historic victory won by Vietnam on the Dien Bien Phu battlefront compelled the colonialist aggressors to recognize the independence, freedom, and territorial integrity of Vietnam, Laos, and Cambodia, thereby bringing peace to Indochina.

The world-renowned victory won in the Ho Chi Minh operation by the Vietnamese Armed Forces and people in the spring of 1975 opened an excellent and rare opportunity for the Lao people to rise up to seize power, to completely liberate the country on 23 August 1975, and to establish the Lao People's Democratic Republic on 2 December 1975.

The mutual acts of actual fighting by our two peoples in the past have proved that the special solidarity and comprehensive cooperation between Laos and Vietnam have been born not by accident but by the objective needs under the leadership of a genuine Marxist-Leninist party, that is the Indochinese Communist Party. Such special solidarity and comprehensive cooperation constitute a firm prop for the revolution in each country, a needed factor ensuring the victorious development of our revolution, and a decisive law for the survival of our two countries.

Throughout the period of revolutionary struggles against the aggression of the colonialists and neocolonialists, the Vietnamese party, state, and people consistently rendered assistance and support to the Lao revolution, sharing weal and woe with our people. Vietnamese volunteers have shed their blood alongside their Lao counterparts on every battlefield in Laos. This development testifies to the special relationship which is rare in the history of the world. No one can describe such a relationship in complete detail.

Touching on the relations, solidarity, and cooperation between Laos and Vietnam, President Ho Chi Minh once said: The two peoples of Laos and Vietnam have created mutual affection in their hearts, which is deeper than the Hong Ha and Mekong Rivers. President Souphanouvong also once said: Lao-Vietnamese solidarity is taller than the tallest mountain, deeper than the deepest ocean, and more fragrant than the most fragrant flower in the world. Even though the Lao and Vietnamese people speak different languages and have many different customs and traditions, thanks to the tradition of mutual intimacy and affection, we have stood shoulder to shoulder to fight our common enemies together and have made boundless sacrifices for one another. For our part, we have firmly adhered to the tradition of special relations at all times. The Lao and Vietnamese peoples have always united with one another to score victories together, be it in carrying out their national liberation struggle or building and defending their countries in the new period. All this clearly demonstrates our common revolutionary spirit and our faith and affection in the fine tradition of our two countries.

In the past as well as at present, the special solidarity between Laos and Vietnam has always been a target for destruction by all hostile and reactionary forces. Our enemies will never cease slandering and distorting the

special solidarity between Laos and Vietnam. Especially in the past few years, the wave of such slander has continued to rise from many directions, both at home and abroad. As a result, a number of people have come to form a distorted attitude toward us. This development is an indication that if we wish to continue maintaining our special relations, we must continue to fight. This means that we must fight not only against the subversive schemes of the external reactionary forces, but also against the wrong attitude of the internal opportunists who want to destroy the special solidarity between Laos and Vietnam.

To achieve this goal, we must pay attention to training and educating cadres and (?convincing) our two peoples to clearly appreciate and see that the special Lao-Vietnamese solidarity is the law of survival of the revolutionary cause in our two countries. Only by firmly preserving the solidarity between the two parties, states, and peoples can the two countries survive and be developed. Only by then, will our two countries be [words indistinct].

Our party, state, and people always regard Vietnam as a great and initimate friend. During the visit to the Lao People's Democratic Republic by the high-level delegation of the SRV and the Vietnamese Communist Party headed by Comrade General Secretary Do Muoi on 12 August 1992, Comrade Kaysone Phomvihan, chairman of the Lao People's Revolutionary Party, noted: The visit to the LPDR by Comrade Do Muoi is of special significance because in addition to reaffirming the long-standing close and profound friendship and special solidarity between the Lao and Vietnamese peoples, it also constitutes an important step in the strengthening of our relations and comprehensive cooperation with a new quality in conformity with the aspirations of the two sides.

Therefore, amid the new international situation which is changing complicatedly and profoundly, it is necessary to raise higher the level of our relations and special solidarity to a new degree with a new quality to conform to the aspirations of the new period on the basis of respect for each other's independence and sovereignty, the tradition of mutual solidarity and assistance, equality, and mutual benefit. At the same time, we must modify the contents, methods, and mechanism of cooperation and pay attention to the (?actual outcome) by placing emphasis on quality and efficiency. On the basis of that spirit, our two peoples must determinedly resist all sinister schemes of any hostile force and pay attention to preserving, enhancing, and strengthening the relations of friendship and comprehensive bilateral cooperation, thereby contributing to defending peace and stability in Southeast Asia and peace and security in the world.

House Members Attend Political Training Course

BK2505120193 Vientiane Vitthayou Hengsat Radio Network in Lao 0500 GMT 24 May 93

[Text] A political life training program for members of the third National Assembly opened this morning at the main meeting hall of the National Assembly in Vientiane capital under the chairmanship of Saman Vi-gnaket, chairman of the third National Assembly, with the participation of 85 members of the third National Assembly from 18 electoral zones and 65 technocrats working at the office of the National Assembly.

Chaleun Yiapaoheu, standing member of the third National Assembly Committee and chief of its Secretariat Commission, gave an interview to our correspondent on the objectives of the training program:

[Begin Chaluen Yiapaoheu recording] To fulfill the roles of the third National Assembly, which is a legislative organization carrying out roles as stipulated in the Constitution; to strengthen and develop unity among members of the National Assembly; and to contribute to increasing the collective strength of the masses in implementing the tasks of national construction and development, the Standing Committee of the National Assembly has decided to organize a political life training program for members of the National Assembly.

Convening this political training program is aimed at the following (?two) objectives: First, to change and reorient the appreciation of members of the National Asseembly in the comprehensive restructuring policy of our party, which is the foundation of all activities of this assembly in accordance with the nature of the popular democratic regime; and second, to realize the roles, duties, and rights of the third National Assembly; to realize the rights and duties of members of the National Assembly; and to point out difference between the true nature, (?power), and activities of our National Assembly and those of the House of Representatives under the old regime and the National Assemblies of other countries. All of this is aimed at assisting members of the National Assembly to (?know how to effectively and efficiently carry out their activities) to serve the interests of the people so that they deserve to be elected representatives.

To ensure that the objectives of the training program are fulfilled as expected, this political training course is directed at guiding the house members in studying fundamental issues in the restructuring policy of our party and state; the direction and orientation of our socioeconomic development plans from now to the year 2000; the organization and restructuring of the activities of the third National Assembly; the enhancement of the political quality of the members of the third National Assembly; and [words indistinct] the revolutionary qualifications of President Kaysone Phomvihan, our respected and beloved leader. All this is also aimed at further increasing the political quality of the third National Assembly.

To ensure that all the objectives are completely met, this political life training program will be conducted for 10 consecutive days from 24 May to 2 June 1993. This is the important content and objectives of this political training program. [end recording]

Ministry Urges Compliance With Car Import Rules

BK2505162293 Vientiane Vitthayou Hengsat Radio Network in Lao 0500 GMT 25 May 93

["Release" issued by the Ministry of Communications, Transport, Posts, and Construction on importing cars into Laos—dated 22 May 1993]

[Text] On 22 May, the Ministry of Communications, Transport, Posts, and Construction [MCTPC], issued Release No. 1922/CTPC to inform all ministries, provinces, Vientiane Municipality, international organizations, business enterprises, export-import companies, other companies, private citizens, aliens, and foreign residents in the Lao People's Democratic Republic [LPDR] to implement strictly and accordingly.

In the past, some companies or individuals brought cars into the country without receiving any prior techinical permission from the MCTPC. After cars arrived at the Tha Naleng ferry landing area, the parties concerned made requests to bring out cars for use or selling to other persons. Therefore, it was thought that such practices were considered incorrect and against MCTPC Release No. 1278/CTPC, prime minister's Decree No. 96/PM, Release No. 955/TD, and Release No. 032/PM dated 5 January 1993.

Therefore, it is requested that all individuals engaging in this business, be they Lao residents, aliens, or foreigners, comply with and follow all legal procedures and ask for permission from the ministries concerned before bringing cars into the LPDR. If one is found to violate laws or rules and regulations, his request for permission to bring in a car will not be considered or a fine will be imposed on that violator. In cases of intentional violations, the state will seize and keep the vehicle at the warehouse until a separate committee rules on its status before it can be taken out of the warehouse.

Philippines

Ramos Returns From ROK, Praises Closer Ties

HK2605123893 Manila Manila Broadcasting Company DZRH in Tagalog 0918 GMT 26 May 93

[Speech by President Fidel V. Ramos upon returning to Manila from a state visit to South Korea; live, in English with italicized passage in Tagalog, broadcast in progress]

[Text] ...my co-workers in government, *beloved countrymen:*

We are happy to be back home. For many reasons, it is with a deep sense of fulfillment that I report on my visit to the Republic of Korea, made upon the invitation of His Excellency President Kim Yong-sam. The visit renewed memories of more than 40 years ago when the Philippines and Korea fought on the same side to defend freedom and democracy on the Korean peninsula under the banner of the United Nations. As a young lieutenant in the Philippine Expeditionary Force to Korea, or Peftok, I was a part of that defense, along with some 7,000 other Filipinos.

My visit to Korea also gave me a close look into what could be our future: a people and a nation reaching the ranks of the world's newly industrialized countries and enjoying the benefits of that achievement, as now exemplified by the Republic of Korea. The discipline of the Korean people, their entrepreneurial drive, their will to work, and their creativity have been the basic foundations for South Korea's rise to the forefront of the world's newly developed economies.

There is no better place to strengthen the process of our own modernization than with the Republic of Korea, for there is a deep reservoir of affection for Filipinos in the hearts of the Korean people. At even opportunity, from the most formal ceremonies to the most casual meetings, the Koreans never failed to acknowledge the Philippine role in the United Nations campaign to defend their national integrity and sovereignty in the 1950's. This visit serves to emphasize the new character of development that will shape the future of today's modernizing countries, a mode that embraces both political democracy and dynamic economic growth as its essential and inseparable components. The Republic of Korea is showing the way for middle level countries like ours.

Several agreements resulted from our visit. On the government level, three agreements were signed. Foremost of these was an extradition treaty signed by Foreign Affairs Secretary Roberto Romulo and his Korean counterpart, Foreign Minister Han Sung-chu. This strengthens our legal collaboration and effectively closes one more door to potential fugitives from justice. By virtue of another agreement, the Republic of Korea is transferring—at nominal cost to the Philippines—12 high-speed naval patrol craft. These boats should be most beneficial to our naval patrol operations, especially against illegal entry, smuggling, and other illegal activities in Philippine waters. The third agreement, for the promotion and protection of investments, was also initialed by Philippine and Korean representatives. This investment guarantee agreement, when finally signed, will ease the worries of potential Korean investors and will surely spur the inflow of more investments to our country.

Several joint venture agreements in the private sector were also signed. Apo Cement and the Hala Business Group agreed on the establishment in Cebu of a 1.5 million-metric ton cement plant. The project cost is approximately $250 million. Transfarm Incorporated entered into agreement with Daewoo Corporation for car assembly and the manufacture of automotive components, also in Cebu. Both projects will commence sometime in 1994, with a cost of some $85 million. A third venture was consummated between Petrochemical Corporation and Lucky Engineering, a subsidiary of Lucky-Goldstar. The two corporations will put up a

polypropylene plant in Bataan with a capacity of 160,000 metric tons a year and the project cost is about $115 million. The total of these private sector investments is about $450 million, or P12.2 billion [Philippine pesos]. There are other Filipino-Korean projects placed in the pipeline, some of which will be launched in the next few months.

Our government has also formalized its request for continued Korean cooperation, particularly in the fields of energy, tourism, labor, transport, and telecommunications.

We discussed at the highest levels the problem of access of certain of our products to the Korean market and the regularization of the status of Filipino workers in Korea.

President Kim and I and our respective governments have also gained deeper understanding of each other's program of political and economic reforms and their implications on our efforts toward enhanced human resource development. We also found remarkable convergence in our views of the future of the Asia-Pacific region in terms of regional security and regional economic cooperation.

Just before the formal start of my state visit, I addressed the international general meeting in Seoul of the Pacific Basin Economic Council, or PBEC, an association of the top business leaders and strategists of the most economically dynamic region in the world. In the keynote address, which I delivered, I told the PBEC leaders of our vision of a new world order with respect to our region of the Asia and Pacific and the Philippines' significant role in it.

Let me conclude this report by quoting from President Kim Yong-sam's welcoming speech. He declared: We Koreans, on our part, will lend unsparing assistance to the people of the Philippines in their endeavor to attain national development.

On that note, we can truly say that the Philippine-Korean relations, consecrated by the co-mingled blood of Filipinos and Koreans on Korean soil, have found renewed strength during our visit. It's good to be back, and I thank you for your continued confidence. Let us also thank the good Lord for his protection and solicitude for our people.

Long live the Philippines. Thank you very much.

Bomb Threat Disrupts Senate Deliberations

HK2605152293 Quezon City ABC-DWET Television in English 1300 GMT 26 May 93

[From the "ABC-DWET News Program"]

[Text] A bomb threat was received while the Senate was deliberating on the revamp, causing a delay in the proceedings. Western Police District experts were called to the scene, but no explosive was found. The source of the bomb threat was not identified.

Jordan Terms Embassy Closure 'Opportunistic'

HK2505074293 Quezon City MALAYA in English 25 May 93 p 2

[Report by Carlito Pablo]

[Text] Jordan is accusing the Philippines of being "opportunistic" in its diplomacy following Manila's decision to close down the embassy in Amman despite its track record in supporting the government on the Muslim secessionist problem and its crucial role in the evacuation of Filipino workers during the Gulf War.

In a report to the home office, the Philippine Embassy in Amman said the Jordanians "are shocked" at the inclusion of the post among the 15 missions ordered closed effective June 30.

Jordan was widely responsible for having blocked the bid of the Moro National Liberation Front [MNLF] for regular membership at the Organization of Islamic Conference [OIC] in 1988.

It was also instrumental in evacuating Filipino contract workers trapped during the 1990-1991 Gulf War when it opened its borders as a route to and from Iraq.

The embassy said King Hussein of Jordan wields great influence in the Arab world. Closing the embassy in Jordan may adversely affect Philippine diplomatic initiatives within the OIC, it said.

The Philippine embassies in Senegal and Morocco, which are also up for closure, expressed the same sentiment.

The embassy in Dakar said Senegal is chairman of the OIC until its next summit in Saudi Arabia next year and is a member of the OIC Committee of Six monitoring the Muslim secessionist problem in Mindanao.

It said committee recommendations are the basis of OIC resolutions on the MNLF issue, stressing the need for a more careful handling of relations with Senegal.

The Philippine Embassy in Dakar was re-opened in 1991 in time for the OIC summit hosted by Senegal. To close it might be taken as "insincerity" on the part of Manila, a senior diplomat said.

Morocco will host next year's foreign ministers' meeting of the OIC where the MNLF issue is part of the agenda.

The meeting will be in preparation for the OIC summit next year in Saudi Arabia wherein Manila is expected to launch new diplomatic initiatives to undercut support for the MNLF and gain support for the Autonomous Region in Muslim Mindanao.

The Embassy in Morroco is also accredited to Palestine, Tunisia, Algeria and Mauritania which are all members of the OIC.

Islamic Body Says ARMM Not 'Home Rule'

HK2705061093 Quezon City MALAYA in English 27 May 93 pp 1, 2

[Report by Carlito Pablo]

[Text] The Organization of Islamic Conference (OIC) does not recognize the creation of the Autonomous Region in Muslim Mindanao [ARMM] as compliance with the 1976 Tripoli Agreement which it said calls for the establishment of home rule for the 13 provinces of Mindanao.

Secretary General Hamid Al-Gabid of the OIC said in a six-page report that the Organic Act for Muslim Mindanao, which carved the ARMM out of Sulu, Maguindanao, Tawi-tawi and Lanao del Sur, does not come up to the specifications of the agreement.

Rep. Eduardo Ermita (Lakas, Batangas) [strength], head of the Philippine negotiating panel in last month's talks with the MNLF [Moro National Liberation Front], said the government is considering amending the Organic Act to provide for the holding of another plebiscite on the composition of the ARMM.

The report to the OIC was prepared after the second round of exploratory talks between the Philippine government and the Moro National Liberation Front in Indonesia last month.

The Tripoli Agreement, crafted by Imelda R. Marcos with Libya strongman Mu'ammar al-Qadhdhafi, provides that home rule will be granted to the 13 provinces according to constitutional processes in the Philippines.

The Philippine Constitution requires that autonomous regions can be created only after a plebiscite favors such creation.

The Organic Act for Muslim Mindanao was rejected during a plebiscite by provinces in Mindanao except Sulu, Maguindanao, Tawi-tawi and Lanao del Sur.

Formal talks between the government and the MNLF are set to start on June 30 with the implementation of the Tripoli Agreement as main focus.

Business, Labor Sectors Suffer From Power Crisis

HK2705013493 Quezon City ABC-DWET Television in Tagalog 1000 GMT 26 May 93

[From "ABC-DWET News Program"—all recorded passages in English]

[Text] Both the business and labor sectors are suffering because of the power outages. During the first five months of this year, the industrial and commercial sectors lost some P50 billion [Philippine pesos] due to the ever-lengthening brownouts.

Guillermo Luz, executive director of the Makati Business Club [MBC], said the business losses were 50 percent higher in April and May than in the first three months of this year. If businessmen lost P20 billion from January to March, their losses were higher in the two succeeding months because of the power shortage.

[Begin Luz recording] Virtually every working day has been affected in the second quarter, and the duration has been longer. [end recording]

A survey conducted by the MBC indicated that the levels of production, total sales, and inventories of industrial companies all declined.

However, worse hit were the workers. Because of the power failures, businessmen have been forced to lay off people or implement shifts or rotations that reduced workers' earnings.

The National Economic Development Authority also reported that more than 70,000 workers in Metro Manila have lost their jobs due to the power failures.

[Begin Luz recording] We can also see that in the higher underemployment rate. For example, in some companies which have been operating on three shifts before have had to go down to two or one shift as a result of the power shortages. So while people may be keeping their jobs, they may also have had less work. [end recording]

Despite these negative assessments due to the power failures, local business have promised not to raise the prices of prime commodities.

[Begin unidentified businessman recording] We don't expect any prices to rise, largely for two reasons—reduced consumer demand and increased competition—that will keep a lid on the prices for any product. [end recording]

Government Allows RAM Negotiators To Carry Arms

HK2605152093 Quezon City ABC-DWET Television in Tagalog 1000 GMT 26 May 93

[From the "ABC-DWET News Program"]

[Text] The main obstacle to the second round of negotiations between the government and RAM [Reform the Armed Forces Movement] was resolved last night. The government has allowed members of the RAM panel to carry short firearms and to each have bodyguards who are also RAM members. RAM chief negotiator Edgardo Abenina said this was agreed by the two panels and will be formalized through a memorandum of agreement. The two panels will meet on 1 June to review and sign the agreement.

The second round of the peace talks will be held in the second week of June. The first issue to be taken up will be quality government. Professor Alfredo Tadiar, head of the government panel, said they are still considering what type of firearms the RAM members will be allowed to carry.

Germany Grants $30 Million for Health Care Aid

HK2105064893 Quezon City Kadyo ng Bayan in Tagalog 0400 GMT 21 Mar 93

[Text] The German Government will be giving the Philippines $30 million. According to Health Secretary Juan Flavier, the grant will be used to finance the government's family planning, health management, and population control projects, which will be launched this year. The health secretary also said that, due to the success of the recent national immunization program, another round of immunizations will take place on 16 February and 16 March 1994.

Thailand

Government To Reconsider U.S. Trade Proposals

BK2705075593 Bangkok NAEO NA in Thai 27 May 93 p 5

[Text] A source in Government House revealed that the United States requested Thailand in March to include a set of proposals in a draft agreement on trade and investment in Asia and Pacific. The draft agreement is to be submitted to the meeting of ASEAN economic ministers. The Economic Policy Committee recommended that the U.S. proposals be reexamined because they can have repercussions on world trade and the implementation of the General Agreement on Tariff and Trade (GATT). The U.S. proposals constitute additional conditions to the GATT.

Prasong Welcomes Smooth Election in Cambodia

BK2705075193 Bangkok Radio Thailand Network in Thai 0530 GMT 27 May 93

[Text] Foreign Minister Squadron Leader Prasong Sunsiri granted an interview with newsmen on the election in Cambodia. He said that, according to a latest report he received this morning, 85 percent of registered voters cast their ballots at the polling stations from 23 to 25 May. On 26-27 May, mobile voting is being conducted in remote areas. There are mobile stations using cars, boats, and helicopters.

Prasong said the election had been smooth so far, without any violence as anticipated in the beginning. There has been a large voter turnout—the Cambodian people should be congratulated on that. Asked about a proposed international conference to endorse the results of the Cambodian election, Prasong said that Japan proposed that an international conference should be held after the election in Cambodia in order to review the situation during and after the election. Prasong welcomed the idea of holding such a meeting, but said there should be no interference in the internal affairs of Cambodia.

Belgian Vice Premier Calls on Chuan Likphai

BK2605074393 Bangkok Radio Thailand Network in Thai 0530 GMT 26 May 93

[Text] The visiting Belgian vice prime minister [Willy Claes] and his party paid a courtesy call on and held consultative meeting with Prime Minister Chuan Likphai at Government House this morning.

Speaking to reporters after the meeting, Aphisit Wetchachiwa, spokesman to the Prime Minister's Office, said:

[Begin recording] [Aphisit] They discussed EC-ASEAN cooperation, since Belgium and Thailand are about to become chairmen of the EC and ASEAN respectively. Besides discussing efforts to expand economic and political cooperation between the two regional groupings, they also discussed trade protectionism. The two sides reaffirmed their willingness to further promote free trade and believe the Uruguay Round of talks will be finalized by the end of this year. The prime minister informed the Belgian delegation that the EC is a major market for Thai exports, especially for tapioca, and that farmers engaged in cultivating tapioca are the most impoverished farmers in the country. As the EC is changing its tapioca import policy, the prime minister asked the Belgian vice prime minister to look after the issue to prevent any unfavorable impact on Thai faremrs. The Belgian vice prime minister agreed to take up this matter for further consultation. The Belgian vice prime minister expressed his admiration for Thailand's recovery from last year's crisis and said he would inform industrialists in EC countries, especially Belgium, of the political stability in Thailand which he has witnessed during the visit.

[Unidentified reporter] Was any special issue brought up for discussion?

[Aphisit] The Belgian vice prime minister was requested to look after Thailand's tapioca exports. Other issues pertained to EC-ASEAN cooperation. [end recording]

Paper Interviews Chatchai on Opposition Tactics

BK2705014993 Bangkok THE NATION in English 27 May 93 p A2

[Text] Opposition Chat Phatthana Party leader Gen Chatchai Chunhawan clearly has not given up hope of becoming prime minister again. But observers say that aside from mounting daily attacks on the Chuan government he has to prove to the public that he is not practising a double standard.

While Chatchai has drummed up the theme of human rights and deplored the death of a farmer who was killed in a violent anti-government protest, many recall the death of Thanawut Klingchua a student activist who committed self-immolation in a bid to force Chatchai out of office in 1990.

Chatchai expressed regret after Thanawut's death, but insisted a government could not resign over such an

"unfortunate" incident, the first known suicide case aimed at pressuring the government to step down. A number of students were arrested but they were later released.

Chuan has said his government was responsible for the farmer's death because it was he who asked local authorities to ensure that the Kamphaeng Phet protest did not cause public disturbances.

Chatchai says that was not enough.

"If I were in his shoes I would have resigned as premier. Politicians must show their 'spirit'. I'd watch to see if Chuan will show his," the Chat Phatthana leader told The Nation in an interview.

His party had planned to attack Chuan over the prime ministet's personal life in the upcoming censure debate. Chuan was accused of having a troubled and obscure relationship with a woman with whom he has a son.

Chat Phatthana's move raised eyebrows, since it may backfire on several opposition leaders, including Chatchai, who once proudly described himself as a "playboy" .

Still Chatchai is hopeful about his political future.

"Let Chuan be prime minister until he can no longer be one, then let [opposition Chat Thai leader] Praman Adireksan take his turn if he is still the party leader then, and next it's my turn. We must set an example in a decent democracy," he said.

Chatchai, toppled in the 1991 coup by the military that accused his government of being corrupt, incompetent and abusing its control of parliament, also claimed that armed forces leaders wanted him to return to the helm of the government.

"All the military officers I've met since May last year said they wanted me back as prime minister," he said.

However, in the meantime, his party would not abandon its partners in favour of the govemment if there were to be a Cabinet reshuffle, he added.

"Chat Phatthana will not join it. We have affirmed that if we are to become part of the government, it must include all 153 opposition members of Parliament. We keep our word. Chat Phatthana loves to be a party of its word, not unprincipled. All 153 or nothing," he told The Nation.

He said he had planned to leave politics but the 1991 coup prompted him to stage a comeback to fight dictatorship.

"I'll not quit my political career until I'm sure there is no longer any form of despotism," he said.

The Chat Phatthana leader said the only way to find out if the people were satisfied with the government's performance was through a snap election which is why he thought Prime Minister Chuan should dissolve Parliament. He said there was nothing worrisome about Thai politics now but that the cause for concern was the government's failure to work for the public's benefit.

Asked to comment on rumours that the opposition has influenced 18 government members of Parliament, he said the Chuan's coalition has been suffering from intra-party bickering.

But he did not think this would result in the government collapsing. Coalition MPs would certainly vote in favour of the government but would be at each other's throats again after that.

The former premier said he did not want to make critical remarks on the relationship between Prime Minister Chuan Likphai and Interior Minister Gen Chawalit Yongchaiyut for fear that they might worsen the situation as it was already bad enough. "If I talk bluntly, I'll add fuel to fire."

But Chatchai's own party is now also at odds with its biggest ally, Chat Thai which Chatchai led before the 1991 coup.

Talks about a merge between the Chat Thai and Chat Phatthana parties have waned since the two camps clashed over whether the entire Chuan government or only individual ministers should be censured.

"The two parties will continue to cooperate as opposition parties," Chatchai said. "And if Parliament was dissolved, they should not merge because as separate camps the chances of winning more seats in the election will be better."

Chat Phatthana's all-out attempt to topple Chuan is linked to the government's vow to investigate his tax records concerning his assets which were seized under the military junta's summary graft probe. The Supreme Court's ruling that the anti-corruption crackdown was unconstitutional means Chatchai will get his assets back, but possibly with very heavy retroactive taxes.

Chatchai said the tax measures were part of an attempt to "discredit" him.

Chatchai has reportedly had meals or played golf with Social Action Party leader Montri Phongphanit, Chuan's estranged coalition partner.

Asked to comment on the possibility of Montri defecting to the opposition, he said Montri was faithful to the democratic system. Chatchai criticized the government for being unable to differentiate social activities from political ones.

Khun Sa Forces Repel Attack by Burmese Troops

BK2605020593 Bangkok BANGKOK POST in English 26 May 93 p 6

[Text] Chiang Mai—Fierce fighting erupted last Saturday [22 May] between Burmese government troops

and forces loyal to drug kingpin Khun Sa near the Thai-Burmese border opposite Mae Ai District.

A Border Patrol Police source said at least eight Burmese troops were killed when Rangoon soldiers tried to seize two mountainous outposts, known as Hill 33 and Hill 39, from Khun Sa's Muang Tai Army [MTA].

About 30 MTA soldiers were also killed or wounded, the sources said, adding that the MTA repulsed the attack with 81-mm mortars and recoilless rifles.

The source said MTA soldiers were still in control of the outposts which are of immense strategic value as they overlook traditional opium-smuggling routes.

Fighting died down on Monday [24 May] after about 30 minutes of gunfire, the source told the BANGKOK POST.

The source said the Burmese Government is building a road from Mong Hsat, a township in Shan State to Mong Yor another township close to Mae Ai District which is under the influence of Khun Sa.

Khun Sa has stated that Mong Yon is his main gateway to the outside world and he will do his utmost to defend it from Burmese attacks.

The source said Thai villagers were not affected by the fighting because it had not spilled across the border.

Vietnam

President Le Duc Anh Receives ROK Ambassador

BK2605070793 Hanoi VNA in English 0635 GMT 26 May 93

[Text] Hanoi VNA May 26 - President Le Duc Anh received here yesterday Ambassador of the Republic of Korea (R.O.K.) to Vietnam Pak No-su who paid him a courtesy visit.

The Vietnamese president welcomed the first R.O.K. ambassador to Vietnam and expressed his joy at the development of the relations between the two countries. He stressed that the two sides can cooperate in economic development, and that the fine results of Prime Minister Vo Van Kiet's visit to the R.O.K constitute a landmark in the development of the bilateral cooperation, especially in economic and [words indistinct].

Lao Labor Minister Arrives for Visit 25 May

BK2505150593 Hanoi VNA in English 1455 GMT 25 May 93

[Text] Hanoi VNA May 25 - Lao Minister of Labour and Social Welfare Thongloun Sisoulit arrived here today for a five-day visit as guest of Minister of Labour, War Invalids and Social Affairs Tran Dinh Hoan.

Upon his arrival, Minister Tonglun Sisulit had talks with his host minister. The two sides exchanged experience in managing problems related to workers' wages [words indistinct], labour, war invalids, war-death, social care and other social matters. The Lao guests are scheduled to conclude their work here on May 30.

Australia's Economic Assistance Reviewed

BK2605054993 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 25 May 93

[Excerpt] [passage omitted] Australia established diplomatic relations at ambassadorial level with Vietnam on 26 February 1973. Various exchanges of friendly visits between the two countries' high-ranking leaders have further enhanced their friendly and cooperative relations.

Australia has had a development aid program to help the Vietnamese people overcome the consequences of war since 1975. Its aid to Vietnam during the period 1976-79 amounted to $47 million [Australian dollars]. During the period 1987-88, Australia provided Vietnam with $6 million in aid annually via various nongovernmental and United Nations organizations. In October 1991, the Australian Government officially resumed its bilateral aid to Vietnam and provided Vietnam with U.S.$75 million in aid. During the period 1991-95, Australia has been helping and will help Vietnam in the fields of education, training, and public health; and in infrastructure, investment, and natural resources development projects. In 1993 alone, Australia has agreed to provide training for 140 Vietnamese students. The Australian Government has also planned to increase its annual aid to Vietnam to $36 million for the next four years in accordance with Australia's cooperation and development policies in the region.

Vo Van Kiet Talks With New Zealand's Bolger

BK2605151593 Hanoi VNA in English 1410 GMT 26 May 93

[Text] Hanoi VNA May 26—An official welcoming ceremony was held at 10:00 a.m (local time) today at the parliament [word indistinct] in Wellington for Prime Minister Vo Van Kiet, his wife and party on a visit to New Zealand.

Prime Minister J.B. Bolger and Deputy Minister Don McKinnon went up to the gangway to greet the Vietnamese prime minister, his wife and party. After the military band played the national anthems of the two countries, Prime Minister Vo Van Kiet and Prime Minister J.B. Bolger reviewed a guard of honour.

Earlier, Prime Minister Vo Van Kiet called on Governor General Catherine Tizerad.

The same day the leader of the Labour Party, the opposition party of New Zealand, Mike Moore, paid a courtesy visit to Prime Minister Vo Van Kiet.

Also today at the parliament building talks were held between Prime Minister Vo Van Kiet and Prime Minister J.B. Bolger.

Prime Minister Vo Van Kiet informed his counterpart of Vietnam's achievements in renovation, in national construction as well as international relations. He laid stress on Vietnam's aspiration to further strengthen the cooperative relations between Vietnam and New Zealand, particularly in the fields of forestry, reforestation of denuded lands, environment protection, stockbreeding, agricultural products processing and personnel training.

He highly appreciated New Zealand's reopening of its Official Development Aid (ODA) to Vietnam, assisting Vietnam in personnel training, and encouraging businessmen to invest in Vietnam.

After the talks, the two leaders initialed an agreement on cooperation in economy and commerce between Vietnam and New Zealand.

In the afternoon Prime Minister Vo Van Kiet successfully concluded his official friendship visit to New Zealand and left for Australia.

Government Decrees on Partnership Corporations

BK2605133993 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 25 May 93

[Text] There are 10,000 business establishments in our country but only 12 of them have registered as partnership corporations, thus accounting for a very insignificant percentage.

To accelerate the establishment of partnership corporations, the prime minister has issued Directive 84-CTTT. Under this directive, the state will retain major business establishments and allow the rest to adopt different forms of ownership with partnerships being the key measure to promote business operations.

Waterway, Public Road Departments Established

BK2705070893 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 26 May 93

[Text] The Ministry of Communications and Transport held a news conference in Hanoi yesterday (26 May 93) to announce the government's decrees establishing the Vietnam Waterway Department and the Vietnam Public Road Department, directly under the management of the Ministry of Communications and Transport.

At the news conference, the Minister Bui Danh Luu detailed the role and function of the two departments to be set up by government's decrees in response to the development of waterway and public road transportation systems.

The Waterway and Public Road Departments will officially start their operation on 1 June 1993.

Vu Oanh Addresses Charity Television Ceremony

BK2605142993 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 25 May 93

[Text] On the morning of 24 May, the Humanitarian Audio-Video Television Center held a ceremony to mark its first founding anniversary. Attending the function were Comrade Vu Oanh, member of the Party Political Bureau; Nguyen Huu Tho, member of the party Central Committee and editor-in-chief of NHAN DAN Newspaper; Pham Khac Lam, editor-in-chief of the Vietnam Television Station; representatives from different ministries, departments, and sectors; and many correspondents of radio stations and newspapers in Hanoi.

In the past year, under the care of the party echelons, the Vietnam Red Cross Society, the Ministry of Public Health, Vietnam Radio, and many organs and economic organizations in the entire country, the Humanitarian Video-Audio Television Center has overcome all difficulties to regularly broadcast more than 30 programs on Vietnam Television. It has gradually improved the quality of its programs. Especially through its reports and "Happy Friends" feature, it has called on groups and individuals nationwide to donate more than 400 million dong to families facing hardship, to disabled people, and to lepers.

Speaking at the ceremony, Comrade Vu Oanh urged the correspondents to make greater efforts to report all hardships caused by diffent situations and natural calamities in the entire country, report to the public about places that need help, inspire humanitarianism and generosity from everybody, and promote charity work.

Vu Oanh Attends Post, Telegraph Congress

BK2705073793 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 26 May 93

[Text] The 10th congress of the Post and Telegraph Trade Union deputies started yesterday morning, 26 May in Hanoi. Comrade Vu Oanh, member of the party Central Committee Political Bureau attended the congress together with over 280 deputies. Also attending the congress were the leading officials of and representatives from the Post and Telegraph Department and the Confederation of Vietnamese Workers.

The congress reviewed the implementation of the resolution of the ninth trade union congress, set up objectives and plans for the 10th trade union congress, and selected delegates to attend the upcoming seventh national trade unions congress.

The congress determined the concrete tasks of the Post and Telegraph Trade Union in the coming years as mobilizing workers and civil personnel to put their utmost energy into the modernization of the postal and telecommunication networks, improving economic and service efficiency, and heightening capacity and participation in management. The Post and Telegraph Trade

Union should also endeavor to develop the workers' rights of collective mastery, to satisfactorily carry out social welfare policies of the sector, and to strengthen propaganda and mobilization activities so as to build a steadfast contingent of workers and civil personnel which meets the demand of the renovation of the sector.

Addressing the congress on behalf of the party Central Committee, Comrade Vu Oanh wholeheartedly complimented the workers and civil personnel of the Post and Telegraph sector for their achievements in past years, especially for overcoming all difficulties to positively and creatively advance toward the modernization of the telecommunication network, thus contributing significantly to the country's renovation undertaking.

Do Muoi Addresses Lawyers Association Congress

BK2705074593 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 25 May 93

[Text] The Eighth National Congress of delegates of the Vietnam Lawyers Association was opened in Hanoi on the morning of 25 May. Attending the congress were 150 delegates representing 5,200 members of the association's branches in all provinces and cities throughout the country.

Addressing the congress, Comrade General Secretary Do Muoi commended our country's lawyers for what they have done over the past decades. Particularly in recent years, by maintaining solidarity and exerting great efforts, Vietnamese lawyers have successfully overcome difficulties in continuing to help strengthen the socialist legal system, thus making our administration truly one which is of the people, by the people, and for the people.

Regarding the duties of the Vietnam Lawyers Association in the days ahead, the comrade general secretary said:

At the session held by the Eighth National Assembly to pass the 1992 Constitution, as well as at the national workshop held by the judicial sector in late 1992, I did point out the need to carve out a law-binding state for Vietnam, considering this as one of the central tasks of our political system. That type of state is one that manifests its true nature as one which is of the people, by the people, and for the people, and one that is equipped with an increasingly modified judicial system to handle all domains of social life.

We must bring into full play all the potentials of various economic components. We must also develop these potentials in line with the market mechanism and under socialist-oriented state management to ensure human rights and create favorable conditions for all citizens to exercise their rights and fulfill their duties as masters of the country.

On the external relations front, we must quickly create a stable legal environment and take advantage of all the favorable conditions to expand international relations in the economic and other fields, while effectively preventing all newly-emerged manifestations of negativism.

We must also continue to study all matters relating to international law, as well as to participate in various international fora in order to deny all the slanderous allegations about the violation of democratic and human rights in Vietnam by those who have actually violated human rights. We must also clarify that it is the nature of our state and regime to respect human freedom and human rights, while gaining the sympathy and support of a broad segment of the world public and making positive contributions to the establishment of an equitable and progressive world order for the cause of peace, cooperation, and development.

At this congress, the Lawyers Association will review its tasks in the seventh term of office from 1987 to 1992, discuss guidelines for its activities in the eighth term of office between 1993 and 1997, hold a debate on the draft of its revised statutes, and elect its eighth central committee.

The congress will also concentrate on discussing measures with the aim of renovating the organizational and operational methods of the Lawyers Association so that it can satisfactorily carry out all major tasks in the days ahead, step up propaganda on law enforcement, and provide law consultation and law services for domestic and international affairs.

Eighth National Lawyers' Congress Closes 26 May

BK2705081193 Hanoi VNA in English 0616 GMT 27 May 93

[Text] Hanoi VNA May 27—The Eighth National Congress of the Vietnamese Lawyers' Association closed here on May 26 after two days' sitting.

The congress defined the association's major tasks namely to join efforts with state bodies in concretising by laws the party's lines on national construction and defence, broadening democracy, strengthening disciplines and order, building a state of law and popularising legal documents.

The congress adopted the association's statute (amendment) and elected an executive committee comprising 52 members with Vice Chairman of the National Assembly Phung Van Tuu as president, and Luu Van Dat, Nguyen Dinh Loc and Mrs. Ngo Ba Thanh as vice presidents. Mr. Luu Van Dat is also secretary general of the association.

Do Muoi Sends Gifts to Lao Cai Retired Cadres

BK2705042393 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 26 May 93

[Text] After his working visit to Lao Cai Province in late April, Comrade General Secretary Do Muoi sent 10 souvenir gifts to senior revolutionary cadres living there.

On the afternoon of 26 May, a solemn ceremony was held in Lao Cai Town to present the gifts to the senior cadres.

On behalf of the cadres, Comrade Le Quat, with 45 years of party membership, thanked the party and comrade general secretary for their attention to the retired cadres. He also promised to maintain the fine quality of a communist party member and cooperate with succeeding generations to build a prosperous and beautiful Lao Cai Province.

Nguyen Duc Binh Attends Magazine Anniversary

BK2705052193 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 26 May 93

[Text] This morning in Hanoi, the THIEU NIEN TIEN PHONG magazine [THE VANGUARD'S TEENAGER] held a ceremony to commemorate the 39th anniversary of its first issue. Addressing the ceremony, Comrade Editor-in-Chief Nguyen Phong Doanh presented the collective efforts of cadres, editors, and correspondents in the last 39 years to continuously improve the content and form of the magazine, making it become a close friend of many generations of teenagers in our country and actively contributing to the cause of caring for and educating the young generations.

Speaking at the ceremony, Comrade Nguyen Duc Binh, member of the Party Political Bureau lauded achievements scored by the THIEU NIEN TIEN PHONG magazine in the past years. He wished the magazine more improvements with a higher circulation to provide better service to the teenager.

Also on this occasion, the Fund for Supporting Young Talented Vietnamese presented 11 gifts of 500,000 dong each to 11 teenagers who have excelled in the fields of culture, arts, and sports from different localities in the country.

Australia

SRV Premier Continues Visit to Canberra 27 May

Talks With Keating, Evans

BK2705034693 Melbourne Radio Australia in English 0300 GMT 27 May 93

[Text] Australia says it has made strong representations on human rights during talks today with Vietnam's prime minister, Vo Van Kiet. Mr. Kiet had talks in Canberra with Australia's prime minister, Paul Keating, and the foreign minister, Gareth Evans.

Officials said Senator Evans raised Vietnam's prosecution of Buddhists and Catholics and the case of one man who has been jailed since 1978.

Sen. Evans told Mr. Kiet that it would help Vietnam's international friends if Hanoi were to show signs of opening up. During the discussions, Mr. Kiet repeated that Vietnam would have no future military involvement in Cambodia.

While the talks were going on in Parliament House, a group of about 400 people demonstrated outside calling for freedom and human rights in Vietnam.

Agrees to Human Rights Group Visit

BK2705094593 Hong Kong AFP in English 0837 GMT 27 May 93

[By Tim Cribb]

[Text] Canberra, May 27 (AFP)—Vietnam agreed Thursday to accept an Australian human rights delegation in a gesture towards the refugee community here also aimed at harnessing its talents for the country's future economic growth. As anti-communist Vietnamese burned an effigy of Prime Minister Vo Van Kiet in front of parliament house, the former Viet Cong commissar was inside telling Australian counterpart Paul Keating he would allow a human rights team to investigate alleged human rights abuses in his country.

An Australian Government official, briefing reporters after the prime ministerial meeting, said Keating and Foreign Minister Gareth Evans had urged Kiet to allow such a visit as "a gesture towards unity."

Most of Australia's 130,000 Vietnamese fled their home country after the communist victory in 1975. About 1,000 demonstrators gathered outside parliament to protest Kiet's visit, waving banners reading "No human rights, no aid" and dubbing Kiet, who is known as an economic reformist in the Vietnamese heirarchy, a "war criminal."

In response to Australia's suggestion on human rights, Kiet proposed that the delegation include not just members of the Vietnamese community but also others, such as parliamentarians, the official said. Details and timing of the visit were yet to be worked out.

Keating had suggested the gesture could help harness the considerable language and business skills of expatriate Vietnamese for Vietnam's economic development, the official said. While conceding that some Vietnamese in Australia were critical of Hanoi, Keating said it was "important not to lose sight of the fact that an increasing number want to be involved in their home land."

A government spokesman called the visit by a human rights delegation "very significant, assuming it comes off."

"That sort of gesture by him towards the Vietnamese community here can help us turn a new phase," the spokesman said.

The potential role Vietnamese Australians could play in Vietnam's economic development was stressed by Keating during an hour and 40 minutes of dialogue through interpreters.

Trade between the two countries has jumped from two million dollars in 1982 to 252 million dollars in 1992, while Australia's BHP Petroleum Ltd. has invested 1.5 billion dollars in the Dai Hung offshore oil field.

The spokesman said prosects for expanded commercial links dominated the talks, and the two countries later signed a memorandum of understanding on regional cooperation with Canberra pledging 100 million Australian dollars (70 million U.S.) in development aid over four years.

Security for the visit, first by a Vietnamese leader since Saigon fell in 1975, was intense.

"Kiet is not the leader of the Vietnamese people—he was appointed by the communists," Cuong Vo, president of the Vietnamese Community of Australia, told the demonstrators outside parliament house. He called on Canberra to press Hanoi to free political prisoners and organise democratic elections.

"Until then, we will oppose Australia's giving aid money to be used to oppress the people and arrest their leaders," he said.

During their talks, Keating told Kiet he believed economic development could only be achieved with political liberalism.

"If choice is forever restrained in a country, then economic development can never be achieved," the official said of Keating's remarks.

Kiet responded that Vietnam had studied the experiences of the so-called Asian "Tigers" and that there was no single model for economic success.

"Different countries do different things and achieve in different ways," he said.

Keating also told Kiet Australia had made clear to Washington that Canberra felt an end to the United States' economic embargo was "desirable," as large scale finance was needed to develop the Vietnamese economy.

Minister: Cabinet Decides To Cut Immigration

BK2605104093 Hong Kong AFP in English 0952 GMT 26 May 93

[Text] Sydney, May 26 (AFP)—Australia will cut its immigration intake in the coming June 30 financial, but more refugees will be admitted, Immigration Minister Nick Bolkus said Wednesday. Bolkus said cabinet had decided 4,000 fewer immigrants would be accepted in 1993-94, cutting Australia's intake from 80,000 to 76,000, but refugee numbers would be lifted from 12,000 to 13,000. He said there had been "an explosion internationally" in the number of refugees—former Yugoslavia and Indochina were particular areas of concern. It was the fifth consecutive annual cut in immigration since 1998-89, when 136,400 immigrants were admitted.

"I think we have reached the level from which we won't go any further down," Bolkus told reporters. "It's a matter of when the increase in demand domestically and internationally allows us to increase it."

Prime Minister Paul Keating told leaders of Australia's migrant communities during the March 13 election campaign that the intake would remain around 80,000 until job opportunities improved. There has been growing concern that many immigrants found it hard to find work due to the economic recession and Bolkus said the government had decided to allow the programme to respond to labour market demands.

"The reduced level of recruitment of overseas workers by business, and lower level of migration applications, reflect the worldwide economic conditions," he said in a statement.

Net migration, the outcome of immigration and emmigration, was expected to fall from a high of 109,000 in 1990-91, to some 46,000 in 1993-94. In line with the announcement that former immigration minister Gerry Hand made earlier this year, the refugee program has been split from the general programme.

Bolkus said that in determining 13,000 places for the humanitarian programme, he had balanced several factors, including the needs of the United Nations High Commissioner for Refugees, the wide community support for the programme he had received during community consultations, and Australia's capacity to help within its international obligations.

"There are many thousands of people in the world who have been displace@ from their homes and for whom resettlement in a third country as refugees is their only option," he said.

Treasurer Vows To Keep Tax Cut Promise

BK2605104593 Hong Kong AFP in English 0631 GMT 26 May 93

[Text] Canberra, May 26 (AFP)—The Australian Government will honour its campaign promise to cut taxes, Treasurer John Dawkins said Wednesday, adding that there were other ways to tackle the growing deficit. Dawkins told parliament that steps would be taken in the August budget to reduce the deficit to meet the government's target of one percent of gross domestic product by the fiscal year ending June 30 1997. The treasurer said the government would have to cut spending in 1993-94 by 2.0 billion Australian dollars (1.4 billion U.S.) if the deficit was to be held at levels near the 16 billion dollars estimated for this year. The starting point for the next financial year will be 18 billion dollars unless action is taken, Dawkins said.

A report by the auditor-general Tuesday put increased pressure on the government when he found that the government was carrying liabilities of 125 billion dollars, including employee pension fund entitlements and accrued leave, money borrowed on behalf of the states and money owed by government agencies—it had liquid assets of just 57 billion dollars. That news, coupled with budget deficit concerns, prompted the minority Australian Democrats, who hold the balance of power in the upper house Senate, to call for the legislated tax cuts to be cancelled.

Prime Minister Paul Keating promised during the March election campaign that tax cuts would go ahead, prompting the conservative opposition to demand an explanation of how they could be afforded given Australia's parlous economic state. But the Democrat move for a private members bill appeared dead in the water after the Liberal-National coalition indicated it would withhold support because cancelling the already-legislated cuts would be a breach of trust. The tax cuts, which reduce personal income tax from 38 percent to 30 percent, were approved by parliament last year, though the first of the two-stage cut does not come into force until July 1, 1994.

Democrats leader Cheryl Kernot said the tax cuts were unaffordable and unfair, designed to let the rich get richer and the poor get poorer, particularly as the government would have to slash its spending programs to contain the deficit.

Dawkins said the government had given a "solemn undertaking" to meet its deficit target, and maintained the budget would clearly show how this could be done. He said the government "is firmly fixed on that medium term strategy" of achieving a deficit of one percent GDP by 1996-97.

"The process of going towards that objective, that medium term objective, will commence in this budget round," he said, adding that the government would

examine cuts in spending and outlays "in order to make a credible start on the achievement of that objective."

On tax cuts, Dawkins said: "The government has no intention of rescinding the provisions which were put in the tax scales last year—that was said at the time, I repeat it now."

Employers' group Business Council of Australia (BCA) economic chairman Ian Salmon said Wednesday that the organisation's members wanted clear signs that the government was serious about cutting the budget deficit. "A serious effort to reduce the budget deficits, over the next few years, beginning with the forthcoming 1993-94 budget in August, will provide more confidence to financial markets and potential investors about the government's economic strategy," Salmon said in a statement. "It will then provide the scope for a further reduction in interest rates in order to encourage business investment and sustained and stronger economic growth, and create employment opportunities," he said.

Company Profits Show 'Big Rise' in March Quarter

BK2705062293 Melbourne Radio Australia in English 0500 GMT 27 May 93

[Text] A big rise in company profits for the March quarter has given a boost of confidence to Australia's economy. As (Adrian Thursk) reports, company profits have risen for eight consecutive quarters and are now at record highs.

[Begin (Thursk) recording] Today's figures from the Bureau of Statistics are important because they feed into next week's GDP measure of economic growth. On a seasonally adjusted basis, company profits have jumped by 24 percent over the March quarter.

On the bureau's trend estimate, that represents an increase of 11 percent to the highest level ever recorded —companies' recorded profits before tax of $4.7 billion.

Economists say that will have a positive impact on the income side of GDP and should ensure economic growth for the March quarter remains positive.

The encouraging figure comes after yesterday's poor investment performance over the quarter. [end recording]

Fiji

Discussions on Unity Government To Last Two Years

BK2605032093 Hong Kong AFP in English 0211 GMT 26 May 93

[Text] Suva, May 26 (AFP) - Discussions on Prime Minister Siteveni Rabuka's proposal for a government of national unity in Fiji are expected to last two years, a senior member of the Great Council of Chiefs said. The chief was speaking late Tuesday [25 May] after the council appointed a 15-man committee to coordinate meetings throughout Fiji to discuss Rabuka's proposal to broaden the government to include politicians from the large ethnic Indian community.

The council, which has paramount authority and influence, ended a two-day meeting with a statement saying further discussions should be held by district and provincial councils which would report back to the council.

"The council will in turn inform the government of its decision," the statement said. It did not specify a timetable.

Rabuka's proposal, made in parliament in November, was welcomed by opposition leader Jai Jam Reddy and trade union chief Mahendra Chaudhry, both ethnic Indians. It has met with resistance from some chiefs who said a government of national unity would defeat the purpose of the 1987 military coup, which overthrew an Indian-dominated government and led to the proclamation of a republic with a constitution guaranteeing political power to indigenous Fijians. The coup was carried out by Rabuka, then an army colonel, who became prime minister a year ago when his Fijian People's Party (FPP) won the election which ended five years of rule by a military-backed government.

Rabuka has said a government of national unity would rebuild confidence between the races but has also insisted that Indians recognise that the interests of indigenous Fijians "must always be paramount."

The Council of Chiefs also said "the committee appointed to coordinate meetings on the government of national unity concept will also be responsible for discussions with the Fijian people on the review of the constition." The constitution, which is due to be reviewed five years after the May 1992 election, reserves 37 seats in the 70-member parliament for indigenous Fijians although they make up slightly less than half the population of 720,000; another seat is reserved for the inhabitants of the remote Polynesian island of Rotuma. Indians, who are almost as numerous as Fijians, have 27 seats; five are filled by Europeans and other minorities.

New Zealand

Iranian Minister Visits; Trade Contact To Improve

BK2605082093 Hong Kong AFP in English 0803 GMT 26 May 93

[Text] Wellington, May 26 (AFP)—New Zealand and Iran were close to agreement on closer commercial contact, Trade Negotiations Minister Philip Burdon said Wednesday.

He earlier this week met a delegation led by Iranian Construction Minister Gholam Reza Foruzesh which, he said, had assisted in fostering trade and economic links between the two nations.

Although sheepmeat sales are stalled at present, there is now understood to be a good prospect of sales of beef to Iran as a result of the visit.

Burdon said the Iranian delegation had expressed interest in further meat purchases, but sales would be down this year because of supply problems and New Zealand's refusal to extend credit.

Papua New Guinea

Deputy Premier To Visit Israel 6-15 Jun

BK2605070893 Hong Kong AFP in English 0600 GMT 26 May 93

[Text] Port Moresby, May 26 (AFP)—Papua New Guinea's deputy prime minister Sir Julius Chan will make a ten-day official visit to Israel next month, the foreign affairs department announced here Wednesday. The visit, from June 6-15, will be the first by a senior Papua New Guinea government leader since the two countries established formal diplomatic relations in the mid-1970s. A foreign affairs official said Chan would clinch further agreements with the Israeli government on a number of areas of interest to the two countries and sign a memorandum of understanding on agriculture co-operation.

Meanwhile, the Israeli ambassador in the South Pacific Ilan Hartuv warned said here [as received] it would be a "mistake" for Papua New Guinea to recognise the Palestine Liberation Organisation. Earlier this year Prime Minister Paias Wingti met and embraced PLO leader Yasir 'Arafat while attending the Non-Aligned Movement meeting in Indonesia. Officials said then that during their discussions 'Arafat sought Port Moresby's support of the PLO although Wingti made no commitments then.

Hartuv said Papua New Guinea would contradict its support for peace in the Middle East if it recognised the PLO. Hartuv, based in the Fijian capital of Suva, is here to open an Israeli photographic exhibition and to finalise an agriculture agreement that Chan will sign when he visits Israel next month.

Officials Aware Some Aid Donors 'Not Satisfied'

BK2605065893 Hong Kong AFP in English 0552 GMT 26 May 93

[Text] Port Moresby, May 26 (AFP)—Ahead of Papua New Guinea's annual meeting with aid donors, a senior government official warned Wednesday that many of them were not satisfied with the country's ability to put aid to good use. Fisheries and Marine Resources Secretary Joe Gabut told a conference in Rabaul that if the government did not have the capacity to prepare projects on which to spend aid, then it should not ask for the aid.

"We would be dishonest with ourselves and with our donors if we cannot implement, if we cannot draw down the money that is available," said Gabut, a former senior diplomat. "If you don't have the capacity to prepare projects, then don't tell the donor that you need money or grants because you can't use that money. It's simple as that. There are donors who are satisfied with us but many are not. I can tell you that—and I've been dealing with donors for ten years."

Gabut's warning came as officials prepare for the annual meeting of Papua New Guinea's aid donors in Hong Kong next month.

Finance Minister Sir Julius Chan responded that Papua New Guinea still enjoyed a good reputation among its aid donors although its economy would be placed under the "microscope." Officials would be scrutinised on the general economic performance and new budget initiatives, he said in a statement released here.

Chan said the focus of this year's meeting would be on Papua New Guinea's future development plans, with special emphasis on implementation issues. He would outline economic policies and development programs being pursued by the government and donors would then be able to state to which projects they would pledge their assistance.

"We've got to get our act together, control extravagances, select priorities and set constructive goals," said Chan.